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March 25, 2026

**VIA PUC E-FILING**

Matthew Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

Re: APPLICATION OF TOWAMENCIN TOWNSHIP FOR APPROVAL OF THE  
ABANDONMENT OR DISCONTINUANCE OF WASTEWATER  
CONVEYANCE SERVICES  
Docket No. A-2026-3060514

Dear Secretary Homsher:

I represent Applicant, Towamencin Township, in the above-captioned matter, and I attach for filing the Applicant's Verified Responses to TUS Data Request Set 1.

As evidenced by the enclosed Certificate of Service, all known parties will be served, as indicated.

Thank you for your prompt attention to this matter.

Sincerely yours,

*/s/ Elizabeth Preate Havey*

Elizabeth Preate Havey

EPH:vh  
Enclosure

cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**IN RE: APPLICATION OF  
TOWAMENCIN TOWNSHIP FOR  
APPROVAL OF THE  
ABANDONMENT OR  
DISCONTINUANCE OF  
WASTEWATER CONVEYANCE  
AND TREATMENT SERVICES**

**DOCKET A-2026-3060514**

**VERIFIED RESPONSES TO TUS DATA REQUEST SET 1**

A-1. In the Application's Section I.15, Towamencin indicated that it currently serves approximately 1,500 customers including both customers inside of Towamencin's corporate limits (Inside Customers) and customers outside of Towamencin's corporate limits (Outside Customers). However, the Recommended Decision (2023 RD) of Administrative Law Judge Darlene Heep entered November 29, 2023, for Towamencin's application at Docket No. A-2023-3040661, detailed in Section 8 of the Findings of Fact that Towamencin's wastewater system (Wastewater System) provided service to approximately 8,066 customers. Please provide responses to the following:

- a. Explain the apparent discrepancy between the number of Towamencin wastewater customers quantified in the Application and the 2023 RD; and

**Response from Eric Reinbott, Township Finance Director: This was a typographical error. The 8,066 customer number is accurate.**

- b. Quantify the current number of customers, by customer class and municipality, served by the Wastewater System.

**Response from Eric Reinbott, Township Finance Director: Please see Paragraph 14 of the Application for the breakdown of customers in the service territory covered by the CPC which is the subject of the Application to Abandon Service.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-2. In the Application's Section II.25, Towamencin indicated that the Towamencin Municipal Authority (Authority) will treat Outside Customers the same as Inside Customers and noted that Outside Customers pay less than Inside Customers. However, it is unclear to the Commission whether, upon Towamencin's abandonment of wastewater service to the public, the Authority will adopt Towamencin's wastewater tariff rates for Outside Customers. Please either confirm that the Authority will initially adopt Towamencin's effective wastewater tariff rates for Outside Customers or provide a comparison of Towamencin and Authority wastewater service rates, by customer class, that reflects the anticipated changes in rates for Outside Customers.

**Response from Eric Reinbott, Township Finance Director: the Authority will initially adopt Towamencin's effective wastewater tariff rates for Outside Customers.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-3. In the Application's Section II.37, Towamencin indicated that several upcoming capital projects are required to maintain the Wastewater System. Please provide a list of the projected capital projects and quantify the estimated project cost along with the associated timeline.

**Response from Eric Reinbott, Township Finance Director: Please see Attachment A-3.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-4. The Application's Exhibit A included a copy of the Lease and Service Agreement (2015 Lease Agreement) between the Authority as Lessor, and Towamencin as Lessee dated as of June 30, 2015. The 2015 Lease Agreement's sixth "whereas" recital (Lease Recital) referenced a Guaranteed Revenue Note, Series of 2015 (2015 Note) and a Loan and Security Agreement (2015 Loan Agreement), dated as of June 30, 2015. Please provide copies of the 2015 Note and the 2015 Loan Agreement.

**Response from Eric Reinbott, Township Finance Director: The 2015 Note has been refinanced by a loan from Delaware Valley Regional Finance Authority (DelVal). Attached as Attachment A-4 is the DelVal Note and the DelVal Loan Agreement.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-5. The 2015 Lease Agreement's seventh Lease Recital referenced a Guaranty Agreement (2015 Guaranty Agreement) dated as of June 30, 2015. Please provide a copy of the 2015 Guaranty Agreement.

**Response from Eric Reinbott, Township Finance Director: The 2015 Note was refinanced and thus the 2015 Guaranty Agreement is no longer in effect. Attached is the DelVal Guaranty Agreement as Attachment A-5.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

**Responses to TUS Data Request Set 1**

A-6. The 2015 Lease Agreement's Section 10 referenced a Connection and Sewer Rent Ordinance. Please provide a copy of Towamencin's Connection and Sewer Rent Ordinance.

**Response from Eric Reinbott, Township Finance Director: Please see Attachment A-6.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-7. The 2015 Lease Agreement's Section 18 detailed that when all of the indebtedness of the Authority secured by lease payments has been paid in full or due provisions for such payment have been made, Towamencin upon written notice to the Authority may terminate the agreement. Please provide responses to the following:

a. Provide evidence that the requirements or conditions precedent have been met for Towamencin to request termination of the 2015 Lease Agreement; and

**Response from Eric Reinbott, Township Finance Director: Section 18 explicitly refers to the 2015 Note and 2015 Loan Agreement both of which are no longer outstanding. The DelVal Note is secured by Revenues as defined in the Loan Agreement to mean any rentals, rates and other charges collected by the Participant. The same amount of Revenues will be collected by the Authority to make the debt payments if the Application is approved and the Lease terminated, as the Revenues that would have been collected if the Lease is not terminated.**

**The Township and the Authority plan to waive, if necessary, Section 18 of the Lease.**

b. Provide a copy of Towamencin's written notice to the Authority requesting that the 2015 Lease Agreement be terminated.

**Response from Eric Reinbott, Township Finance Director: The Township has not provided the notice to the Authority because it has not received PUC approval of its Application to abandon service and terminate the Lease. The Township will provide such notice to the Authority if the PUC approves the Application.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

**Responses to TUS Data Request Set 1**

A-8. The Application's Exhibit C included a copy of Towamencin's 2024 Revenue and Expenses from Outside Customers. In the footnote to Exhibit C, Towamencin indicated that the residential sewer rate was increased to \$590 in 2024 for customers other than the Outside Customers, which remained at the \$450 rate. Please provide the following:

a. A copy of the 2024 resolution or ordinance that increased residential sewer rates to \$590 for Towamencin's residential Inside Customers; and

**Response from Eric Reinbott, Township Finance Director: Please see Attachment A-8.**

b. A copy of the resolution or ordinance that changed any rates for Towamencin's commercial Inside Customers.

**Response from Eric Reinbott, Township Finance Director: Please see Attachment A-8.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-9. The Application's Exhibit D provided a copy of a pro forma Assignment and Assumption Agreement (Assignment Agreement) between the Authority and Towamencin. The second "whereas" recital of the Assignment Agreement indicated that Towamencin and the Authority desire to transfer any other assets that are material to the operation of the Wastewater System and owned by Towamencin. However, the Assignment Agreement did not provide a list of any other assets that are material to the operation of the Wastewater System and owned by Towamencin. Please provide responses to the following:

a. Provide a list of any Wastewater System assets owned by Towamencin that are used and useful in providing wastewater service to the public that will be transferred to the Authority, including any wastewater assets on its books; and

**Response from Eric Reinbott, Township Finance Director: There are no assets being transferred. The Township does not own any Wastewater System assets that are used and useful in providing wastewater service to the public. See paragraph 4 of the Application.**

b. If Towamencin will transfer the title, possession, or use of any Wastewater System assets that are used or useful in providing wastewater service for the public to the Authority, submit an amendment to the Application clarifying that Towamencin is seeking a Certificate of Public Convenience pursuant to Section 1102(a)(3) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(3), for Commission approval TUS Data Request Set 1 of Towamencin's right to transfer certain Wastewater System assets that are used or useful in providing wastewater service for the public to the Authority; or

**Response from Eric Reinbott, Township Finance Director: Please see answer A-9a.**

c. Explain why Commission approval of the transfer of certain Wastewater System 66 Pa.C.S. § 1102(a)(3).

**Response from Eric Reinbott, Township Finance Director: Please see answer A-9a.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-10 The Assignment Agreement's Section 5(f) indicated that the Authority made the representation or warranty to Towamencin that there is no litigation, except for the pending litigation disclosed to Towamencin, which could have a material adverse effect on the operations of the Wastewater System or materially affect the validity or enforceability of the Assignment Agreement. Please provide a detailed explanation of the Authority's pending litigation that was disclosed to Towamencin including how the pending litigation could have a material adverse effect on the operations of the Wastewater System or materially affect the validity or enforceability of the Assignment Agreement.

**Response from Eric Reinbott, Township Finance Director: There is no litigation against the Authority.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-11 The Assignment Agreement's Exhibit A included a list of the contracts to be transferred by Towamencin to the Authority. The first contract listed in Exhibit A referenced a Sewage Treatment Agreement (2015 Sewage Treatment Agreement) among Towamencin, the Authority, and Clemens Food Groups dated October 27, 2015. Please provide a copy of the 2015 Sewage Treatment Agreement.

**Response from Eric Reinbott, Township Finance Director: Please see Attachment A-11.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-12 Please provide a copy of the most recent Chapter 94 Municipal Wasteload Management Report for the Authority wastewater treatment plant (Authority WWTP) and contributing sanitary sewer systems that was submitted to the Pennsylvania Department of Environmental Protection (DEP).

**Response from William Dingman, Township Engineer RET.: Please see Attachment A-12.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

**Responses to TUS Data Request Set 1**

A-13 Please provide a DEP compliance history for the calendar years 2024 and 2025 of Towamencin’s Wastewater System with an explanation of each violation.

**Response from William Dingman, Township Engineer RET.:**

<b>TMA Noncompliance</b>		
<b>Date</b>	<b>Parameter</b>	<b>Cause of Violation</b>
1/1/2024-1/31/2024	Ammonia Nitrogen Instantaneous Average Monthly Mass & Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
1/11/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
1/12/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
1/13/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
2/6/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
2/8/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
2/9/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
2/1/2024-2/28/2024	Ammonia Nitrogen Instantaneous Average Monthly Mass & Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
4/4/2024	Ammonia Nitrogen Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
4/10/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
7/18/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
7/1/2024-7/31/2024	Total Phosphorus Average Monthly Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
8/29/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
8/30/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
8/1/2024-8/31/2024	Total Phosphorus Average Monthly Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
9/6/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
9/20/2024	Total Phosphorus Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
9/1/2024-9/30/2024	Total Phosphorus Average Monthly Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
11/14/2024	Osmotic Pressure Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
2/11/2025	Osmotic Pressure Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
10/11/2025	Osmotic Pressure Instantaneous Max Concentration	Clemens Food Group had a process discharge well above their limit causing pass through at the WWTP.
12/22/2025	Fecal Coliform	Chlorine Pump failure for a period of time overnight

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-14 In supplemental information filed with the Commission for Towamencin's application at Docket No. A-2023-3040661, Towamencin provided a copy of Towamencin's DEP-approved Act 537 Official Sewage Facilities Plan (Towamencin Act 537 Plan) dated July 20, 1987, prepared by EDM Consultants, Inc. Please indicate whether this Application is consistent with the Towamencin Act 537 Plan.

**Response from William Dingman, Township Engineer RET: This Application is consistent with the Towamencin Act 537 Plan from 1987. Note that the Township of Upper Gwynedd is no longer a member of the Authority as it was in 1987 and reflected in the 537 Plan in 1987.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

- A-15 The Application did not include copies of letters from Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County that indicated whether the Application is consistent with adopted municipal and county comprehensive plans and zoning designations. Please provide responses to the following:
- a. Provide evidence that land use planning consistency verification letters to Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County that requested confirmation of whether the Application is consistent with adopted municipal and county comprehensive plans and zoning designations; and
  - b. Provide copies of the responses to land use planning consistency verification letters from Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County; or
  - c. If responses to Towamencin's letters have not been provided by Worcester Township, Lower Salford Township, Franconia Township, Landsdale Borough, and Montgomery County, provide verification of whether the Application is consistent with the adopted municipal and county comprehensive plans and zoning designations.

**Response from William Dingman, Township Engineer RET: This Application does not change the ownership or operation of the System so the Township did not request such letters. The Application is consistent with the adopted municipal and county comprehensive plans and zoning designations.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-16. In the Assignment Agreement's Section 2, Towamencin and the Authority agreed to take all other actions necessary and appropriate to transfer to and vest in the Authority all rights held by Towamencin in the Wastewater System. However, the Application did not describe the DEP-approved permits held by Towamencin for the Wastewater System nor provide details as to whether the Authority has submitted applications to DEP to transfer all permits from Towamencin to the Authority. Please provides responses to the following:

- a. Provide a detailed list of all DEP permits held by Towamencin for the Wastewater System that will need to be transferred to the Authority; and

**Response from William Dingman, Township Engineer RET: The Township does not hold any of the DEP Permits used for the Wastewater System. The Authority holds all of the DEP Permits used for the Wastewater System.**

- b. Indicate whether the Authority has submitted applications to DEP to transfer the permits listed in the response provided to A-16.a., and, if so, provide a copy of each permit transfer application submitted to DEP.

**Response from William Dingman, Township Engineer RET: Please see answer to question A-16a. above.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

**Responses to TUS Data Request Set 1**

A-17. Please provide evidence that Towamencin filed its 2024 annual report with the Commission.

**Response from Eric Reinbott, Township Finance Director: The Township did not file a 2024 annual report.**

Application of Towamencin Township for approval of the right to abandon wastewater service to the public in Worcester Township, Lower Salford Township, Franconia Township, and Landsdale Borough, Montgomery County, Pennsylvania

Docket No. A-2026-3060514

### **Responses to TUS Data Request Set 1**

A-18. Please explain how the Application will benefit Towamencin's Outside Customers.

**Response from Eric Reinbott, Township Finance Director: The primary impetus for this Application is the Township's commitment to treating all customers — regardless of geographic location — fairly and equitably, as well as its concern that extraterritorial customers would otherwise face significant rate increases resulting from the substantial costs required to comply with PUC regulations.**

**There are considerable costs associated with PUC regulation compliance. Among these challenges is the rate-case process, which has hindered Applicant's ability to equalize rates as between intra-territorial and extraterritorial customers.**

**Applicant lacks the financial resources, expertise, and personnel to proceed through the rate case process as often as is required by the quickly rising costs of service.**

**Because the Township lacks the requisite resources and proficiencies, the Township would have to hire outside professionals every time it intends to raise rates. To the extent Township personnel can assist with rate cases, those individuals would be taken away from their primary focus of providing other services more fundamental to the administration of local government affairs.**

**Moreover, the costs associated with facilitating such equalizing rate increases would be passed along to its customers, exacerbating the growing burden on the System's ratepayers.**

# **Attachment A-3**

**TMA/ Towamencin Township  
Sanitary Sewer System  
Capital Improvement Plan**

<b>Capital Projects</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>Total</b>
Sludge Pump replacement							
Misc. Emergency Undefined Projects	50,000	50,000	50,000	50,000			200,000
Emergency Generator Replacement	40,000	20,000	6,000,000				6,060,000
Hauled Waste System Improvements	250,000	250,000					500,000
Biosolids Class A Project (pending regulations)			X	X	X	X	-
Stage II Inf Pump Manifold			28,000	385,000			413,000
Disinfection Upgrade UV (pending NPDES Permit)							-
Scada Upgrades		172,000	70,000	70,000	70,000		382,000
MCC Replacements			137,000	165,000	160,000		462,000
Inf Wetwell Rebuild	500,000	500,000					1,000,000
Pickup Truck Replacement	75,000						75,000
Future TMA Plant Imp/Equip Replacement						1,000,000	1,000,000
Storage Building (Pole Barn)	350,000						350,000
Inflow and Infiltration Program	210,000	210,000	220,000	230,000	240,000	250,000	1,360,000
Skippack Creek Interceptor Phase 3-4	2,575,000						2,575,000
Towamencin Creek Interceptor MS 117A - 116 Replacement/Upgrade	300,000	300,000					600,000
Inglewood Sewer System Replacement (20,000 LF)	1,200,000	1,300,000	1,400,000	1,500,000	1,600,000	1,700,000	8,700,000
Capital Engineering	300,000	400,000	250,000	400,000	250,000	400,000	2,000,000
Pump Station - Capital Charges	40,000	45,000	45,000	45,000	45,000	45,000	265,000
<b>Total Annual Projected Capital Expenses</b>	<b>\$ 5,890,000</b>	<b>\$ 3,247,000</b>	<b>\$ 8,200,000</b>	<b>\$ 2,845,000</b>	<b>\$ 2,365,000</b>	<b>\$ 3,395,000</b>	<b>\$ 25,942,000</b>

**2025-2031 GRAND TOTAL PROJECT CAPITAL EXPENSES**

**\$ 25,942,000**

# **Attachment A-4**

COPY

\$8,026,000

**TOWAMENCIN MUNICIPAL AUTHORITY,  
MONTGOMERY COUNTY, PENNSYLVANIA**

**GUARANTEED SEWER REVENUE NOTES, 2019 SERIES**

The **TOWAMENCIN MUNICIPAL AUTHORITY** (the "Participant"), existing by and under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the order of the **DELAWARE VALLEY REGIONAL FINANCE AUTHORITY**, its successors and assigns ("DelVal"), in lawful money of the United States of America, in such amounts which, together with other moneys held by the Trustee for such purpose, will be sufficient to pay (i) the principal of this Guaranteed Sewer Revenue Notes, 2019 Series (this "Participant Note"), in the amount of **EIGHT MILLION TWENTY-SIX THOUSAND DOLLARS (\$8,026,000)**, on the dates and in the amounts set forth on **Schedule A** attached hereto, and (ii) the interest on this Participant Note, calculated pursuant to the Loan Agreement (as hereafter defined) and such other amounts due under the Loan Agreement on the dates set forth in the Loan Agreement and on Schedule A attached hereto.

This Participant Note evidences the payment obligations of the Participant to repay the loan (the "Loan") made by DelVal to the Participant under a certain Loan Agreement (the "Loan Agreement") by and between DelVal, as lender, and the Participant, dated as of July 26, 2019. All terms used herein and not defined shall have the meaning set forth in the Loan Agreement.

The amounts payable under this Participant Note are payable in immediately available funds on or before the 25th day of each month, commencing August 25, 2019, at the corporate trust office of TD Bank, N.A., as Trustee (the "Trustee") for DelVal.

The amounts payable under this Participant Note are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied, or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Participant assumes and agrees to pay.

This Participant Note is issued pursuant to a Resolution of the Board of Directors of the Towamencin Municipal Authority duly adopted on June 10, 2019 (the "Participant Resolution").

This Participant Note is issued in accordance with the provisions of the *Municipality Authorities Act, 53 Pa. C.S.A. §5601 et seq* (the "Authorities Act"). The lease rental debt evidenced by the guaranty agreement (the "Guaranty Agreement") executed by the Township of Towamencin (the "Guarantor") has received the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania, pursuant to the *Local Government Unit Debt Act, 53 Pa. C.S.A. §8001 et seq* (the "Debt Act"). All acts, conditions, and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Participant Note or in the creation of the debt of which this Participant Note is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; this Participant Note, together

with all other indebtedness of the Participant, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; and the Participant has established a sinking fund for this Participant Note and shall deposit therein amounts sufficient to pay the principal of and interest on this Participant Note as the same shall become due and payable.

The Participant hereby covenants with the registered owner of this Participant Note that the Participant or, in the event of a default by the Participant, the Guarantor (i) shall include the amounts payable for principal of and interest on this Participant Note, for each fiscal year in which such debt service is payable in its budget for that year, (ii) shall appropriate such amounts from its revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal of and the interest on this Participant Note at the dates and places and in the manner stated in this Participant Note, according to the true intent and meaning hereof. **FOR SUCH BUDGETING, APPROPRIATION AND PAYMENT OF PRINCIPAL OF AND INTEREST ON THIS PARTICIPANT NOTE, THE GUARANTOR HAS PLEDGED ITS FULL FAITH, CREDIT AND TAXING POWER.** This covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this paragraph shall be construed to give the Participant or Guarantor any taxing power not granted by another provision of law.

The Participant's obligation to make the payment of a Termination Charge related to the Participant Note shall be subordinate to the regularly scheduled payments of principal of and interest on the Participant Note.

This Participant Note may be prepaid, in whole or in part, as set forth in Article VI of the Loan Agreement.

DelVal shall pledge and assign this Participant Note to the Trustee. The Participant and Trustee may deem and treat the person in whose name this Participant Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest hereon and for all other purposes, whether or not this Participant Note shall be overdue. The Participant and Trustee shall not be affected by any notice to the contrary.

No covenant or agreement contained in this Participant Note shall be deemed to be the covenant or agreement of any officer, agent or employee of the Participant in his or her individual capacity, and no official executing this Participant Note shall be liable personally on this Participant Note or be subject to any personal liability or accountability by reason of the issuance of this Participant Note.

[Signature Page Follows]

IN WITNESS WHEREOF, we, the undersigned authorized officials, have hereunto set our signatures and affixed hereto the Seal of the TOWAMENCIN MUNICIPAL AUTHORITY, Montgomery County, Pennsylvania.

Dated: July 26, 2019



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JOHN E. MINIHAN  
VICE CHAIRMAN

[Seal]

ATTEST:



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BETH SMITH  
SECRETARY

## Schedule A

### Towamencin Municipal Authority Guaranteed Sewer Revenue Notes, 2019 Series Principal Amortization Schedule and Maximum Annual Debt Service

<i>Bond Year Ending</i>	<i>Principal (1)</i>	<i>Maximum Interest Rate</i>	<i>Maximum Interest Payment (2)</i>	<i>Maximum Annual Debt Service</i>
25-May-20	\$ 427,000.00	15%	\$ 999,905.83	\$ 1,426,905.83
25-May-21	436,000.00	15%	1,139,850.00	1,575,850.00
25-May-22	445,000.00	15%	1,074,450.00	1,519,450.00
25-May-23	455,000.00	15%	1,007,700.00	1,462,700.00
25-May-24	464,000.00	15%	939,450.00	1,403,450.00
25-May-25	474,000.00	15%	869,850.00	1,343,850.00
25-May-26	484,000.00	15%	798,750.00	1,282,750.00
25-May-27	494,000.00	15%	726,150.00	1,220,150.00
25-May-28	505,000.00	15%	652,050.00	1,157,050.00
25-May-29	515,000.00	15%	576,300.00	1,091,300.00
25-May-30	526,000.00	15%	499,050.00	1,025,050.00
25-May-31	537,000.00	15%	420,150.00	957,150.00
25-May-32	548,000.00	15%	339,600.00	887,600.00
25-May-33	560,000.00	15%	257,400.00	817,400.00
25-May-34	572,000.00	15%	173,400.00	745,400.00
25-May-35	584,000.00	15%	87,600.00	671,600.00
<b>Total</b>	<b><u>\$ 8,026,000.00</u></b>		<b><u>\$ 10,561,655.83</u></b>	<b><u>\$ 18,587,655.83</u></b>

- (1) Principal is payable annually, commencing on: 25-May-20  
Principal is amortized to provide level or declining annual debt service.
- (2) Interest is payable monthly on the 25th, commencing: 25-Aug-19  
Interest is calculated for the period beginning on: 26-Jul-19

**ASSIGNMENT  
TOWAMENCIN MUNICIPAL AUTHORITY  
\$8,026,000 GUARANTEED SEWER REVENUE NOTES, 2019 SERIES**

FOR VALUE RECEIVED, THE UNDERSIGNED HEREBY SELLS, ASSIGNS AND TRANSFERS UNTO **TD BANK, N.A., 1006 Astoria Boulevard, Cherry Hill, NJ 08034**, the within Notes and all rights thereunder, and hereby irrevocably constitutes and appoints **TD Bank, N.A.**, his attorney to transfer the said Notes on the books of the within described Paying Agent with full power of substitution in the premises.

Dated: **July 26, 2019**

DELAWARE VALLEY REGIONAL  
FINANCE AUTHORITY

By: \_\_\_\_\_

  
JOSEPH E. BRION  
Chairman

[SEAL]

ATTEST:

  
\_\_\_\_\_  
PATRICIA K. POPRIK  
Secretary

NOTICE: The signature of this assignment must correspond with the name of the registered owner as it appears upon the face of the within Notes in every particular, without alteration or enlargement or any change whatsoever.

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**LOAN AGREEMENT**

**for the \$8,026,000  
Guaranteed Sewer Revenue Notes, 2019 Series**

**between the**

**DELAWARE VALLEY REGIONAL FINANCE AUTHORITY  
Bucks, Chester, Delaware and Montgomery Counties, Pennsylvania and the**

**TOWAMENCIN MUNICIPAL AUTHORITY  
Montgomery County, Pennsylvania**

**Dated as of July 26, 2019**

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## TABLE OF CONTENTS

	<u>Page</u>
LOAN AGREEMENT .....	1
BACKGROUND .....	1
ARTICLE I DEFINITIONS .....	4
Section 1.01    Definitions.....	4
Section 1.02    Interpretation.....	11
Section 1.03    Captions, Headings and Table of Contents .....	11
ARTICLE II REPRESENTATIONS.....	12
Section 2.01    Representations and Findings of DeIVal.....	12
Section 2.02    Representations of the Participant.....	12
ARTICLE III COMPLETION OF PROJECT; ISSUANCE OF BONDS; PROJECT FUND .....	16
Section 3.01    Completion of Project .....	16
Section 3.02    Additions and Changes to Project .....	16
Section 3.03    Application of Proceeds .....	16
Section 3.04    Participant Required to Pay Costs of Project in the Event that the Proceeds from the Participant Note are Insufficient.....	17
Section 3.05    Completion.....	17
Section 3.06    Rebate Fund.....	17
ARTICLE IV LOAN BY DELVAL, LOAN PAYMENTS AND OTHER PAYMENTS .....	18
Section 4.01    Loan by DeIVal.....	18
Section 4.02    Repayments.....	18
Section 4.03    Obligations Unconditional .....	19
Section 4.04    Assignment of DeIVal’s Right.....	20
ARTICLE V COVENANTS OF PARTICIPANT .....	21
Section 5.01    Use of Project.....	21
Section 5.02    Exempt Status.....	21
Section 5.03    Insurance .....	21
Section 5.04    Liens.....	21
Section 5.05    Delivery of Financial Information.....	22
Section 5.06    Delivery of Other Information.....	22
Section 5.07    Maintenance of Existence .....	22
Section 5.08    Prohibited Activities.....	22
Section 5.09    Taxes and Other Governmental Charges .....	22
Section 5.10    Indemnification.....	22
Section 5.11    Litigation Notice .....	23
Section 5.12    Tax Covenants of Participant.....	23
Section 5.13    Maintenance of Published Rating .....	24
Section 5.14    Post Issuance Compliance Policy.....	24
Section 5.15    Pledge of Revenues and Covenants .....	25

ARTICLE VI PREPAYMENT .....	26
Section 6.01    Optional Prepayment.....	26
ARTICLE VII EVENTS OF DEFAULT AND REMEDIES .....	27
Section 7.01    Events of Default .....	27
Section 7.02    Remedies on Default .....	28
Section 7.03    Remedies Not Exclusive .....	29
Section 7.04    Payment of Legal Fees and Expenses .....	29
Section 7.05    No Waiver. ....	29
Section 7.06    Notice of Default.....	30
ARTICLE VIII MISCELLANEOUS .....	31
Section 8.01    Term of Loan Agreement.....	31
Section 8.02    Amounts Paid by the Participant Credit Enhancer.....	31
Section 8.03    Notices .....	32
Section 8.04    Limitation of Liability; No Personal Liability. ....	32
Section 8.05    Binding Effect .....	33
Section 8.06    Amendments .....	33
Section 8.07    Counterparts .....	33
Section 8.08    Severability. ....	34
Section 8.09    Governing Law .....	34
Section 8.10    Assignment.....	34
EXHIBIT A: PARTICIPANT NOTE.....	1
EXHIBIT B: PARTICIPANT RESOLUTION AND CERTIFICATION.....	1
EXHIBIT C: CLOSING RECEIPT .....	1
EXHIBIT D: ACKNOWLEDGEMENT OF RECEIPT OF THE FILING FOR THE AWARD OF A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT .....	1
EXHIBIT E: APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.....	1
EXHIBIT F: PARTICIPANT TAX COMPLIANCE AGREEMENT .....	1
EXHIBIT G: ASSIGNMENT OF LOAN AGREEMENT.....	1
EXHIBIT H: PROJECT DESCRIPTION .....	1
EXHIBIT I: INTEREST RATE MANAGEMENT PLAN .....	1
EXHIBIT J: PARTICIPANT CONTINUING DISCLOSURE AGREEMENT .....	1
EXHIBIT K: RESERVED.....	1
EXHIBIT L: GUARANTOR ORDINANCE .....	1
EXHIBIT M: GUARANTY AGREEMENT .....	1
EXHIBIT N: GUARANTOR CONTINUING DISCLOSURE AGREEMENT.....	1

## LOAN AGREEMENT

THIS LOAN AGREEMENT dated as of **July 26, 2019**, is between the **DELAWARE VALLEY REGIONAL FINANCE AUTHORITY** (“DelVal”), a public instrumentality and body corporate and politic of the Commonwealth of Pennsylvania, and the **TOWAMENCIN MUNICIPAL AUTHORITY**, Montgomery County, Pennsylvania (the “Participant”), a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania, with an address at 2225 Kriebel Road, Lansdale, PA 19446. Capitalized terms not defined in the recitals shall have the meanings ascribed to them in Article I of this Loan Agreement or in the Indenture, herein defined.

## BACKGROUND

A. DelVal is a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”) pursuant to the *Municipality Authorities Act*, 53 Pa. C.S. §5601 *et seq* (the “*Authorities Act*”), having been duly organized by the County Council of Delaware County and the Boards of Commissioners of Bucks, Chester and Montgomery Counties (collectively, the “Counties”), all in the Commonwealth of Pennsylvania;

B. DelVal was formed to undertake projects for or on behalf of (i) “Local Government Units” as such term is defined in the *Local Government Unit Debt Act*, 53 Pa. C.S.A. §8001 *et seq* (the “*Debt Act*”) or (ii) other political subdivisions whose obligations to DelVal are guaranteed by a Local Government Unit ((i) and (ii) each herein a Participant), any such project undertaken by DelVal to constitute a Project as such term is defined in the *Debt Act*;

C. In furtherance of its purposes, DelVal has undertaken a program (the “Loan Program”) to assist Participants with Projects;

D. In furtherance of the Loan Program, DelVal has, from time to time, authorized the issuance, sale, and delivery of its Local Government Revenue Bonds and may authorize the issuance of new issues of Local Government Revenue Bonds (collectively, the “Bonds”) under the terms of their respective Trust Indentures (collectively, the “Indenture”), and, as of the date of this Loan Agreement, the Local Government Revenue Bonds and Trust Indentures listed below were outstanding:

- Local Government Revenue Bonds, 1997 Series C, in the aggregate principal amount of \$28,000,000 (the “1997 Bonds”), issued under the terms of a Trust Indenture dated as of July 1, 1997, and amended and restated as of August 3, 2009 (the “1997 Indenture”),
- Local Government Revenue Bonds, 1998 Series A, B and C, in the aggregate principal amount of \$300,000,000 (the “1998 Bonds”), issued under the terms of a Trust Indenture dated as of August 1, 1998, and amended and restated as of August 3, 2009 (the “1998 Indenture”),
- Local Government Revenue Bonds, 2002 Series C, in the aggregate principal amount of \$125,000,000 (the “2002 Bonds”), issued under the terms of a Trust Indenture dated as of May 1, 2002, amended and restated as of August 3, 2009, supplemented as of June

30, 2011, amended and restated as of June 9, 2014, and amended and restated as of December 8, 2014 (the “2002 Indenture”),

- Local Government Revenue Bonds, 2007 Series A, B and C, in the aggregate principal amount of \$160,000,000 (the “2007 Bonds”), issued under the terms of a Master Indenture from DelVal to TD Bank, N.A., as successor to Commerce Bank, N.A., as Trustee, dated as of June 28, 2007, amended and restated as of August 3, 2009, amended and restated as of April 9, 2012, amended and restated as of June 9, 2014, and amended and restated as of December 8, 2014 (the “Master Indenture”), and the First Supplemental Indenture from DelVal to TD Bank, N.A., as successor to Commerce Bank, N.A., as Trustee, dated as of June 28, 2007, and amended and restated as of September 12, 2011 (the “2007 Supplemental Indenture”),
- Local Government Revenue Bonds, 2014 Series B, in the aggregate principal amount of \$20,000,000 (the “2014 Bonds”), issued under the terms of the Master Indenture and the Third Supplemental Indenture from DelVal to TD Bank, N.A., as Trustee, dated as of December 1, 2014 (the “2014 Supplemental Indenture”); and
- Local Government Revenue Bonds, 2017 Series, in the aggregate principal amount of \$175,000,000 (the “2017 Bonds”), issued under the terms of the Master Indenture and the Fourth Supplemental Indenture from DelVal to TD Bank, N.A., as Trustee, dated as of May 1, 2017 (the “2017 Supplemental Indenture”);
- Local Government Revenue Bonds, 2018 Series A, B, C, D and E, in the aggregate principal amount of \$215,000,000 (the “2018 Bonds”), issued under the terms of the Master Indenture and the Fifth Supplemental Indenture from DelVal to TD Bank, N.A., as Trustee, dated as of June 27, 2018 (the “2018 Supplemental Indenture”);

E. The Participant has requested that DelVal finance a Project for the Participant (the “Project”) pursuant to the Loan Program and DelVal is willing to make a Loan to the Participant for such purpose, pursuant to the terms and conditions set forth in this Loan Agreement, and as evidenced by the Guaranteed Sewer Revenue Notes, 2019 Series, 2019 Series (collectively, the “Participant Note”);

F. The Participant has taken all actions required under the *Authorities Act* to issue the Participant Note. The Township of Towamencin (the “Guarantor”) has taken all taken all actions required under the *Debt Act* to incur the lease rental debt evidenced by a certain guaranty agreement (the “Guaranty”) to secure the repayment of the amounts due under the Participant Note and this Loan Agreement, and the Guarantor has received the approval required by the *Debt Act* from the Department of Community and Economic Development, attached hereto as **Exhibit E**; and

G. DelVal has entered into this Loan Agreement with the Participant for the purposes of providing for (i) the origination of the Loan in order to finance the Project and (ii) the repayment of such Loan by the Participant in amounts and at times as herein set forth;

H. In connection with the Loan Program, from time to time DelVal has entered into master interest rate swap agreements and may enter into new master interest rate swap agreements

(collectively, the “Swap Agreement”) with interest rate swap counterparties (collectively, the “Swap Counterparty”), and, as of the date of this Loan Agreement, the agreements listed below were outstanding:

- Interest Rate Swap Agreement, related to the 1997 Bonds, with Bank of America, N.A. (“BANA”) as swap counterparty, dated as of September 9, 2009, and amended and restated as of February 13, 2015 (the “BANA 1997 Swap Agreement”),
- Interest Rate Swap Agreement, related to the 1998 Bonds, with BANA as swap counterparty, dated as of September 10, 2009, and amended and restated as of February 13, 2015 (the “BANA 1998 Swap Agreement”),
- Interest Rate Swap Agreement, related to the 2002 Bonds, with BANA as swap counterparty, dated as of September 14, 2009, and amended and restated as of February 13, 2015 (the “BANA 2002 Swap Agreement”),
- Interest Rate Swap Agreement, related to the Bonds issued under the Master Indenture, with BANA as swap counterparty, dated as of September 15, 2009, and amended and restated as of January 27, 2015 (the “BANA 2007 Swap Agreement”),
- Interest Rate Swap Agreement, with Citibank, N.A. (“Citibank”) as swap counterparty, dated as of June 19, 2007 (the “Citi Swap Agreement”), and
- Interest Rate Swap Agreement, with Barclays Bank PLC (“Barclays”) as swap counterparty, dated as of April 17, 2012, and amended and restated as of July 2, 2012 (the “Barclays Swap Agreement”),
- Interest Rate Swap Agreement, with PNC Bank, National Association as swap counterparty, dated as of January 28, 2015 (the “PNC Agreement”), and
- Interest Rate Swap Agreement, with The Toronto-Dominion Bank as swap counterparty, dated as of January 13, 2016 (the “TD Agreement”).

The Swap Agreement requires DelVal to make scheduled payments to the Swap Counterparty and to receive scheduled payments from the Swap Counterparty. Under the terms of the Swap Agreement, DelVal may be required to make a Termination Payment, which may be substantial, upon an early termination of interest rate swap transactions under the Swap Agreement, as set forth in the Interest Rate Management Plan, attached hereto as **Exhibit I**. The Participant will be obligated under this Loan Agreement to pay any Termination Charge which is equal to its allocable share of any Termination Payment, as determined by the Administrator;

I. The Guarantor has taken all actions required under the *Debt Act* to approve and award the Guaranty and this Loan Agreement as a Qualified Interest Rate Management Agreement, and the Guarantor has received an acknowledgement of receipt of the filing required by the *Debt Act* from the Department of Community and Economic Development, attached hereto as **Exhibit D**; and

J. Reserved.

NOW, THEREFORE, intending to be legally bound hereby, DelVal and the Participant agree as follows:

## ARTICLE I

### DEFINITIONS

#### Section 1.01 Definitions.

In addition to the terms defined in the recital clauses of this Loan Agreement, the following terms shall have the meanings specified in this Article I and other capitalized terms used herein and not defined, shall have the meanings set forth in the Indenture and the Participant Tax Compliance Agreement.

**“Administrative Expenses”** means any expenditures of DelVal reasonably and necessarily incurred by DelVal by reason of its issuance of Bonds or for the Loan Program, as determined by the Administrator, including, without limitation, Compliance Charges, auditing fees and expenses, Extraordinary Payments, non-asset bond costs, costs associated with rebate compliance, the fees and expenses of the Trustee, the Administrator and the Rebate Analyst, all other legal, financing and administrative expenses incurred by DelVal with respect to the Loan Program, including the fees, costs, and expenses of any Credit Facility Provider and Participant Credit Enhancer, the maintenance of prudent levels of liquidity to provide sufficient levels of operating cash flow, as determined by the Administrator and any expenses incurred by DelVal or the Trustee to compel full and punctual performance of all the provisions of the Indenture, the Loan Agreements or the Participant Note.

**“Administrator”** or **“Program Administrator”** means the Program Administrator, initially Calhoun, Baker Inc., and any successor Administrator (which may include DelVal) duly appointed by DelVal and acting as Administrator hereunder; provided, however if DelVal is the Administrator, it may hereafter delegate to any person, firm or corporation qualified to do business in the Commonwealth of Pennsylvania as servicing agent, any of the duties and responsibilities of the Administrator hereunder, upon written notice thereof to the Trustee.

**“Authorized Officer”** means (a) in the case of DelVal, any person or persons designated to act on behalf of DelVal, and when used with reference to any act or document also means any officer of DelVal authorized by resolution of DelVal to perform such act or execute such document; (b) in the case of the Administrator, shall mean the person or firm designated in an instrument executed by DelVal and the Administrator and filed with the Trustee specifying the authority and scope of authorization for such person to act and to execute documents on behalf of the Administrator; (c) in the case of a Participant, any person or persons authorized pursuant to the charter, an ordinance, or a resolution of the governing body of such Participant to perform such act or execute such document; and (d) in the case of the Trustee, any Chair, Vice Chair, any Assistant Vice Chair, any Trust Officer or any Assistant Trust Officer thereof, and when used with reference to any act or document also means any other person authorized to perform such act or execute such document by or pursuant to the charter, by-laws or a resolution of the governing board thereof.

**“Automated Clearing House”** or **“ACH”** means a facility used by financial institutions to distribute electronic debit and credit entries to bank accounts and to settle such entries.

“**Bond**” or “**Bonds**” means the Local Government Revenue Bonds issued by DelVal, from time to time, under and pursuant to the Indenture to provide funds for the Loan Program.

“**Bondholder**” for purposes of this Loan Agreement means any registered owner of any of the Bonds.

“**Bond Counsel**” means any law firm designated by, or acceptable to, DelVal experienced in the field of municipal law, whose opinions are generally accepted by purchasers of municipal bonds and which is reasonably acceptable to the Trustee, Participant Credit Enhancer, and Credit Facility Provider.

“**Bond Swap Transaction**” means an interest rate swap transaction related to the Bonds executed by DelVal under the Swap Agreement to (i) hedge DelVal’s exposure to future changes in long term fixed interest rates, (ii) reduce the interest costs and costs of issuance of the Loan Program, and (iii) enhance the ability of participants in the Loan Program to manage their liabilities and diversify their risks.

“**Business Day**” means (i) any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city or cities in which the corporate trust office of the Trustee is authorized by law or executive order to close or (c) a day on which the New York Stock Exchange is closed or (ii) as determined in a Supplemental Indenture.

“**Certificate,**” “**statement,**” “**request,**” “**requisition**” and “**order**” mean, respectively, a written certificate, statement, request, requisition or order signed in the name of DelVal, the Trustee or a Participant by an Authorized Officer of DelVal, the Trustee or such Participant, respectively. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

“**Code**” means the *Internal Revenue Code of 1986*, as amended, and the regulations promulgated or proposed thereunder.

“**Compliance Charges**” mean amounts payable by the Participants under the Loan Agreements and Participant Note in respect of compliance with the disclosure requirements of Rules 10b-5 and 15c2-12 of the Securities and Exchange Commission.

“**Cost**” means cost, as defined in the *Debt Act* and herein, including but not limited to the cost of the acquisition of all lands, structures, rights-of-way, franchises, easements and other property rights and interests acquired by DelVal or a Participant for a Project; the cost of demolishing, removing or relocating any buildings or structures on lands so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated; the cost of all labor, materials, machinery and equipment, financing charges, interest prior to and during construction and for such a limited period after completion of such construction as may be approved by DelVal (not to exceed one year after completion of the Project); the cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of costs and revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing a Project, Administrative Expenses; and such other expenses as may be necessary

or incident to the construction of a Project, the financing of such construction and the placing of such Project in operation.

**“Credit Facility”** means individually and collectively, any letter of credit, standby bond purchase agreement, municipal bond insurance policy, financial guaranty policy, or similar instrument provided in connection with the issuance of any series of Bonds to guarantee the timely payment of principal of and interest on and, if required, tender purchase price of such series of Bonds optionally or mandatorily tendered for purchase as provided in the Indenture authorizing such series of Bonds.

**“Credit Facility Provider”** means any bank or financial institution that provides a Credit Facility for the Bonds.

**“DCED”** means the Department of Community and Economic Development of the Commonwealth of Pennsylvania and any successor agency or entity that may be designated the authority to approve the issuance of debt under the provisions of the *Debt Act* and with which Participants or Guarantors shall file copies of resolutions or ordinances adopted or enacted authorizing the incurrence of debt and awarding Qualified Interest Rate Management Agreements.

**“DelVal”** means the Delaware Valley Regional Finance Authority.

**“Extraordinary Payment”** means (a) any arbitrage rebate payments that may be required in connection with a subsequent change in the interpretation or application of federal tax law to the Bonds or (b) payments made pursuant to a negotiated closing agreement reached with the Internal Revenue Service in order to maintain the tax-exempt status of interest on the Bonds.

**“Fixed Rate Swap Transaction”** means an interest rate swap transaction executed by DelVal under the Swap Agreement in response to a request by the Participant to convert all or a portion of the Participant Note from a Loan Weekly Rate to a Loan Fixed Rate, approved as to form and substance by the Administrator and the Credit Facility Provider or Participant Credit Enhancer, if applicable.

**“Guarantor”** means the Township of Towamencin as the guarantor of the payment obligations of the Participant under this Loan Agreement and the Participant Note.

**“Guarantor Ordinance”** means the ordinances of the Guarantor (attached hereto as **Exhibit L**) that authorized the execution of the Guaranty and Guarantor Continuing Disclosure Agreement (attached hereto as **Exhibit L**) and the award of the Guaranty and this Loan Agreement as a Qualified Interest Rate Management Agreement.

**“Guarantor Continuing Disclosure Agreement”** means the agreement under which the Guarantor agrees to provide annual financial statements and notice of events under Rule 15c2-12 promulgated under the *Securities and Exchange Commission Act of 1934*, as amended and supplemented from time to time, attached hereto as **Exhibit N**.

**“Guaranty”** means that certain Guaranty Agreement among the Participant, the Guarantor, and DelVal (attached hereto as **Exhibit M**) under which the Guarantor pledges its full

faith, credit, and taxing power to make any payments due under this Loan Agreement and the Participant Note in the event of a default by the Participant.

**“Indenture”** means, collectively, the Trust Indentures between DelVal and the Trustee that authorized the issuance of the Bonds.

**“Interest Rate Management Plan”** means the plan that analyzes the benefits and risks of interest rate swap agreements, as such term is defined in the *Debt Act*.

**“Loan”** means a loan of a portion of the proceeds of Bonds to a Participant pursuant to the terms of a Loan Agreement, through the purchase by DelVal of the Participant Note evidencing the Participant’s obligations to repay principal and interest on such loan.

**“Loan Agreement Default”** shall have the meaning assigned in Section 7.01 of this Loan Agreement.

**“Loan Commitment”** means the commitment to provide the Loan, to purchase the Participant Note, and to authorize and direct the execution and delivery of the Loan Documents approved by resolution or resolutions of the DelVal Board.

**“Loan Documents”** means all of the approvals, agreements, certificates, and schedules required for the closing of a Loan, including the (i) the approvals of the Administrator, DelVal Board, DCED, Participant Credit Enhancer (if any), Swap Counterparty (if required), and Credit Facility Provider (if any); (ii) the Participant Resolution; (iii) the Loan Agreement, Participant Note, Guaranty Agreement (if any), the Participant Continuing Disclosure Agreement, and the Participant Tax Compliance Agreement; (iv) Favorable Opinion of Bond Counsel, opinion of DelVal solicitor, opinion of the Participant’s solicitor, and, if applicable, opinion of the Guarantor’s solicitor and (v) any other certificates or schedules required by the Administrator or Bond Counsel or required under a Supplemental Indenture.

**“Loan Fixed Rate”** means the fixed rate of interest calculated by the Program Administrator.

**“Loan Fixed Rate Period”** means each period during which a Loan Fixed Rate is in effect.

**“Loan Interest”** means the amount of interest, calculated at the Loan Rate for the Loan Payment Period, due under the Participant Note and Loan Agreement.

**“Loan Payment Date”** means the 25th day of the month or, if that date is not a Business Day, the next succeeding Business Day.

**“Loan Payment Period”** means, for portions of a Loan bearing interest at a Loan Weekly Rate, the period beginning on the first Thursday of the month (except for the first Loan Payment Period which shall begin on the date of the closing of the Loan) and ending on the first Wednesday of the subsequent month and shall mean, for portions of a Loan bearing interest at a Loan Fixed Rate, the period beginning on the 25<sup>th</sup> day of the month (except for the first Loan Payment Period which shall begin on the day of the closing of the Loan) and ending on, and including, the 24<sup>th</sup> day of the subsequent month.

**“Loan Prepayment Date”** means the date that the prepayment of all or a portion of a Loan is received.

**“Loan Principal”** means the principal amount of the Loan payable in the amounts and on the dates set forth in the Participant Note.

**“Loan Program”** means DelVal’s program to provide loans, secured by the full faith, credit, and taxing power of “Local Government Units,” as such term is defined in the *Debt Act*, to finance projects.

**“Loan Rate”** means the rate of interest specified in the Loan.

**“Loan Weekly Rate”** means the variable rate of interest, calculated weekly by the Program Administrator.

**“Loan Weekly Rate Period”** means each period during which a Loan Weekly Rate is in effect.

**“Maximum Rate”** means the lesser of (a) the highest interest rate that may be borne by the Loans under Commonwealth law, and (b) 15% per annum.

**“Moody’s”** means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Moody’s shall be deemed to refer to any other Nationally Recognized Statistical Rating Organization designated by DelVal, by notice to the Trustee.

**“Municipal Swap Index”** means the rate of interest established as the weekly high grade market index comprised of 7-day tax-exempt variable rate demand obligations, published weekly and reset each Thursday by the Securities Industry and Financial Markets Association (“SIFMA”) as the Municipal Swap Index, and in the event such rate is no longer determined, any replacement thereof established in the Swap Agreements or approved by the Administrator.

**“Nationally Recognized Statistical Rating Organization”** or **“NRSRO”** means a rating agency that meets professional requirements of and is registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization.

**“Optional Prepayment Price”** means the principal amount of a Participant Note plus accrued interest thereon to the date of prepayment, plus premium, if any, and any Termination Charge in connection with such optional prepayment, pursuant to the provisions of Section 6.01 of a Loan Agreement which a Participant may pay the Trustee in order to prepay in whole or in part its Repayments and Termination Charges. Payment of the Optional Prepayment Price shall not discharge the Participant from its obligations to make payments of any Administrative Expenses or Compliance Charges which are accrued and unpaid as of the date of such prepayment.

**“Participant Continuing Disclosure Agreement”** means the agreement under which a Participant agrees to provide to DelVal annual financial statements and notice of events under Rule

15c2-12 promulgated under the *Securities and Exchange Commission Act of 1934*, as amended and supplemented from time to time, attached hereto as **Exhibit J**.

**“Participant Credit Enhancement”** means a municipal bond insurance policy, financial guaranty policy, letter of credit, or other enhancement issued by a Participant Credit Enhancer to secure all or a portion of the Repayments of the Participant under this Loan Agreement and the Participant Note.

**“Participant Credit Enhancer”** means a municipal bond insurer or other financial institution, with at least one claims paying ability rating (or equivalent rating) of “Aa3” or higher from Moody’s, “AA-” or higher from S&P, or the equivalent rating from any other NRSRO.

**“Participant Credit Enhancer Default”** means events including (i) a payment default by the Participant Credit Enhancer under the Participant Credit Enhancement, (ii) a declaration of bankruptcy or insolvency by the Participant Credit Enhancer, or (iii) any other event of default under the Participant Credit Enhancement.

**“Participant Note”** means the \$8,026,000 Guaranteed Sewer Revenue Notes, 2019 Series, 2019 Series, executed and delivered by the Participant to evidence its obligation to make all payments under this Loan Agreement, attached hereto as **Exhibit A**.

**“Participant Resolution”** means the Resolution of the Participant that authorized the issuance of the Participant Note, the sale of the Participant Note to DelVal, and the execution and delivery of the Loan Documents, attached hereto as **Exhibit B**.

**“Participant Tax Compliance Agreement”** shall mean a Tax Compliance Agreement between DelVal and the Participant concerning compliance with the provisions of §103(a) of the *Code*, attached hereto as **Exhibit F**.

**“Project”** means the projects authorized by the Participant Resolution and set forth in the Project Description, attached hereto as **Exhibit H**.

**“Qualified Interest Rate Management Agreement”** means the interest rate management agreement, collectively, this Loan Agreement and the related portions of the Swap Agreement allocable to the Participant Note, approved and awarded pursuant to the provisions of the *Debt Act*. The aggregate notional amounts under the Qualified Interest Rate Management Agreement shall equal the principal amounts outstanding under the Participant Note, and the term of the Qualified Interest Rate Management Agreement shall coincide with the term of the Participant Note. The maximum interest rate under the Qualified Interest Rate Management Agreement shall be 15%.

**“Reimbursement Resolution”** means a resolution to authorize the reimbursement of expenditures for the Project paid no more than sixty (60) days prior to the adoption of the resolution. This limitation shall not apply to the reimbursement of qualified “preliminary expenditures” as defined in the *Code*, provided that the amount of preliminary expenditures shall not exceed 20% of the par amount of the Participant Note.

**“Repayments”** means the payments of Loan Principal of and Loan Interest on the Participant Note.

**“Revenues”** means any rentals, rates, and other charges collected by the Participant.

**“Sinking Fund Depository”** means the bank, trust company, or a bank and trust company, located and lawfully conducting business in Pennsylvania appointed pursuant to the *Debt Act* to maintain the sinking fund to receive repayments of the Participant Note, initially **Wells Fargo Bank, N.A.**

**“S&P”** means Standard & Poor’s Global Ratings, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, S&P shall be deemed to refer to any other Nationally Recognized Statistical Rating Organization designated by DelVal, by notice to the Trustee.

**“Swap Agreement”** means, collectively, the master interest rate swap agreements which DelVal may execute, from time to time, with a Swap Counterparty in order to (i) hedge DelVal’s exposure to future changes in long term fixed interest rates, (ii) reduce the interest costs and costs of issuance of the Loan Program, and (iii) enhance the ability of participants in the Loan Program to manage their liabilities and diversify their risks, approved as to form and substance by the Administrator and the Credit Facility Provider or Participant Credit Enhancer, if applicable.

**“Swap Counterparty”** means, individually and collectively, one or more financial institutions, which executes a Swap Agreement with DelVal and which, at the time of execution of the Swap Agreement, by itself or as a result of a guarantee by a financial institution, satisfies the rating requirements of the Indenture.

**“Termination Charge”** means the rate or charge assessed to the Participant for a Termination Payment, determined by the Administrator, upon the early termination of (i) a Weekly Rate Swap Transaction related to the Participant Note, (ii) a Fixed Rate Swap Transaction related to the Participant Note, or (iii) the allocable portion of a Bond Swap Transaction related to the Participant Note.

**“Termination Payment”** means the net amount payable by DelVal, if any, under the Swap Agreement upon the early termination of (i) a Weekly Rate Swap Transaction, (ii) a Fixed Rate Swap Transaction, or (iii) a Bond Swap Transaction.

**“Trustee”** means the trustee for the Bonds, initially **TD Bank, N.A.**

**“Weekly Rate Swap Transaction”** means an interest rate swap transaction executed by DelVal under the Swap Agreement pursuant to a request by the Participant to convert all or a portion of the Participant Note from a Loan Fixed Rate to a Loan Weekly Rate by offsetting a

Fixed Rate Swap Transaction, approved as to form and substance by the Administrator and the Credit Facility Provider or Participant Credit Enhancer, if applicable.

**Section 1.02 Interpretation.**

In this Loan Agreement, unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa, the terms “hereof”, “hereby”, “herein”, “hereto”, “hereunder” and similar terms refer to this Loan Agreement, and the term “hereafter” means after and the term “heretofore” means before the date hereof, and words of any gender include the correlative words of the other genders. In this Loan Agreement, unless otherwise indicated, all references to particular Articles, Sections, Subsections or Paragraphs are references to the Articles, Sections, Subsections or Paragraphs of this Loan Agreement.

**Section 1.03 Captions, Headings and Table of Contents.**

The captions, headings and table of contents in this Loan Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, Subsections or Paragraphs hereof.

(End of Article I)

## ARTICLE II

### REPRESENTATIONS

#### Section 2.01 Representations and Findings of DelVal.

DelVal hereby represents that:

(a) DelVal is a public body corporate and politic established in the Commonwealth of Pennsylvania pursuant to the laws of the Commonwealth of Pennsylvania (including the *Authorities Act*). Under the *Authorities Act*, DelVal has the power to enter into the Indenture and this Loan Agreement and to carry out its obligations thereunder and hereunder and to issue the Bonds to finance the Project.

(b) By approval of the DelVal Loan Commitment at one or more duly convened meetings of DelVal at which a quorum was present and acting throughout, DelVal has duly authorized the execution and delivery of the Loan Documents and the performance of its obligations thereunder and hereunder.

(c) Based on representations and information furnished to DelVal by or on behalf of the Participant and Guarantor, DelVal represents that the Participant and Guarantor have taken all steps necessary to qualify this Loan Agreement and the Guaranty, if any, pursuant to provisions of the *Authorities Act* and the *Debt Act*.

(d) DelVal has not and shall not pledge the income and revenues derived from this Loan Agreement other than as permitted by the Bonds and the Indenture.

(e) DelVal expects to hold the Participant Note to its maturity date or to the date that the Participant exercises its option under this Loan Agreement to prepay the Participant Note.

#### Section 2.02 Representations of the Participant.

The Participant represents that:

(a) The Participant, a body corporate and politic of the Commonwealth of Pennsylvania, a “municipality authority” under the *Authorities Act*, has all requisite power and authority to own and operate its properties, to carry on its activities as now conducted and as presently proposed to be conducted, to enter into this Loan Agreement and to carry out and consummate all transactions contemplated hereby.

(b) There is no material fact that the Participant has not disclosed to DelVal in writing that adversely affects the properties, activities, prospects or condition (financial or otherwise) of the Participant or the ability of Participant to perform all of its obligations under this Loan Agreement. The financial information and any other written statements furnished by the Participant to DelVal do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein, in light of the circumstances under which they were made, not misleading.

(c) There are no proceedings that have not been fully disclosed to DelVal pending or, to the knowledge of the Participant, threatened against or affecting the Participant in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Participant, or the ability of the Participant to perform under this Loan Agreement, or the validity or the enforceability of this Loan Agreement.

(d) The execution and delivery of this Loan Agreement and all other documents and instruments and the consummation of the transactions contemplated hereby and compliance by the Participant with the provisions hereof and thereof, have been duly authorized, executed and delivered by the Participant and constitute valid and binding obligations of the Participant:

(1) The Loan Agreement has been duly authorized by all necessary action on the part of the Participant, including the adoption of the Participant Resolution which complies with the provisions of the *Authorities Act*.

(2) The incurrence of nonelectoral debt of the Guarantor has been approved by DCED in accordance with the provisions of the *Debt Act*, such approval being attached hereto as **Exhibit E**.

(3) The Loan Agreement does not and will not conflict with or result in any breach of any of the material terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any material lien, charge or encumbrance upon any property or assets of the Participant pursuant to any indenture, loan agreement or other agreement or instrument (other than this Loan Agreement) or of any other contractual or legal restriction to which the Participant is a party or by which the Participant, its properties or operations may be bound, or any laws, ordinances, resolutions, governmental rules or regulations of court or other governmental orders to which the Participant, its properties or operations is subject.

(4) Under the terms of the Guaranty, in the event of a deficiency by the Participant, the Guarantor has covenanted:

(i) to include all periodic, scheduled payments of Loan Interest and Loan Principal payable under the Loan Agreement and the Participant Note in the budget of the fiscal year in which such amounts are due and payable,

(ii) to appropriate such amounts from its taxes and other revenues, and

(iii) to pay, or cause to be paid, punctually and duly, such amounts that are due and payable under the Loan Agreement and the Participant Note on the dates, at the places, and in the manner stated in the Loan Agreement and the Participant Note.

FOR SUCH BUDGETING, APPROPRIATION, AND PAYMENT, THE GUARANTOR HAS IRREVOCABLY PLEDGED ITS FULL FAITH, CREDIT, AND TAXING POWER. As provided by the *Debt Act*, this covenant shall be specifically enforceable.

(5) The Guarantor has complied with the provisions of the *Debt Act* to authorize and award the Guaranty, this Loan Agreement, and the Swap Agreement allocable to the Participant Note as the Qualified Interest Rate Management Agreement related to the Participant Note. Acknowledgement of receipt of the filing required by the *Debt Act* from the Department of Community and Economic Development is attached hereto as **Exhibit D**.

(i) The notional amount of the Swap Agreement, related to the Bonds, without regard to any offsetting transactions, that relates to or is allocable to the Participant Note is equal to the principal amount outstanding of the Participant Note.

(ii) The term of the Swap Agreement that relates to or is allocable to the Participant Note shall not exceed the latest maturity date of the Participant Note.

(iii) The maximum annual interest rate which the Participant may pay under this Loan Agreement with respect to any Swap Agreement allocable to the Participant Note is 15% per annum.

(iv) The maximum net payments by fiscal year of the Participant under this Loan Agreement for the Participant Note shall not be at a rate which exceeds the maximum interest rate specified in the Swap Agreement allocable to the Participant Note for periodic scheduled payments and interest on the Bonds to which the Participant Note relates.

(v) The obligation of the Participant or Guarantor to pay a Termination Charge related to the Participant Note shall be subordinate to the regularly scheduled payments under the Qualified Interest Rate Management Agreement.

(6) With respect to Termination Charges under the Qualified Interest Rate Management Agreement allocable to the Participant Note and, in the event of a deficiency by the Participant, the Guarantor has covenanted:

(i) to include Termination Charges for each fiscal year in which such Termination Charge is payable in its budget for that fiscal year;

(ii) to pay duly and punctually or cause to be paid from its sinking fund or any of its other revenues or funds, the Termination Charge at the date and places and in the manner stated in the Participant Note and the Loan Agreement; and

(iii) if sufficient funds are not available in the fiscal year in which the Termination Charge is due and payable, any unpaid Termination Charge shall be included in the budget adopted for the next fiscal year.

(e) No event has occurred and no condition exists which, upon execution of this Loan Agreement, would constitute a Loan Agreement Default. The Participant is not in violation in any material respect, and has not received notice of any claimed violation (except such violations as (1) heretofore have been specifically disclosed in writing to, and have been consented to by, DeIVal, and (2) do not, and will not, have any material adverse effect on the transactions herein contemplated and the compliance by the Participant with the terms hereof) of any laws, ordinances, resolutions, governmental rules or regulations or court or other governmental orders, or of any term of any agreement, charter, bylaw or other instrument to which it is a party or by which it or its property or operations is or may be bound.

(f) The Participant has obtained or reasonably expects to obtain, all permits and approvals required by any governmental body or officer for the acquisition, construction, renovation and installation of the Project, the financing or refinancing thereof or the reimbursement of the Participant therefor; and the Participant has complied with any applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the acquisition, construction, renovation or installation of the Project, the financing or refinancing thereof or the reimbursement of the Participant therefor. No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those already obtained) is required on the part of the Participant as a condition to the execution and delivery of this Loan Agreement or the consummation of any transaction contemplated herein.

(g) The Participant is in compliance with all laws, ordinances, resolutions, governmental rules and regulations to which it is subject.

(h) The Project for which this Loan Agreement is incurred is a “project” as such term is defined in the *Debt Act*.

(i) The proceeds of the Participant Note will not exceed the Costs of the Project.

(j) No Costs of the Project to be financed with the proceeds of the Bonds have been paid by or on behalf of the Participant more than sixty (60) days prior to the earlier of (i) the adoption of the Participant Resolution or (ii) the adoption of a Reimbursement Resolution. This limitation shall not apply to the reimbursement of qualified “preliminary expenditures” as defined in the *Code*, provided that the amount of preliminary expenditures shall not exceed 20% of the par amount of the Participant Note.

(k) The Participant has delivered to the Trustee as a condition to the closing of the Loan, a properly signed Participant Tax Compliance Agreement prepared by Bond Counsel with respect to the Loan.

(End of Article II)

## ARTICLE III

### COMPLETION OF PROJECT; ISSUANCE OF BONDS; PROJECT FUND

#### Section 3.01 Completion of Project.

The Participant (a) shall acquire, construct, install, equip and improve or refinance the Project with all reasonable dispatch and in accordance with the description thereof in **Exhibit H: Project Description** attached hereto and applicable law, (b) shall procure or cause to be procured all permits and licenses necessary for the prosecution of any and all work on the Project, and (c) shall pay when due all costs and expenses incurred in connection with such acquisitions, construction, installation, equipment and improvement from funds made available therefor in accordance with this Loan Agreement or otherwise. The Project is the property of the Participant, and any contracts made by the Participant with respect thereto and any work to be done by the Participant on the Project are made or done by the Participant in its own behalf and not as agent or contractor for DelVal.

#### Section 3.02 Additions and Changes to Project.

Subject to Section 5.12 hereof, the Participant may, at its option and at its own cost and expense, at any time and from time to time, revise the description of the Project in the Participant Resolution and make such additions and changes to the Project as it may deem to be desirable for its uses and purposes, provided that (i) the Participant shall amend the Participant Resolution, in accordance with the provisions of the *Authorities Act*, and file the amendment with DelVal and the Trustee and (ii) if the addition or change is substantial, the Participant shall have first obtained and filed with DelVal and the Trustee a Favorable Opinion of Bond Counsel. In any case, the Participant shall obtain the approval of the addition to the Project of any proposed facilities or any other changes not generally described in the Participant Resolution from DelVal and the Trustee. The Participant shall delete any proposed facilities from the Project if a Favorable Opinion of Bond Counsel is not given.

#### Section 3.03 Application of Proceeds.

To provide funds to make the Loan for purposes of paying the Costs of the Project, DelVal shall fund the Loan to the Participant, from available Bond proceeds held by the Trustee. On the date hereof or such later date as the Participant shall request in writing, the Trustee shall disburse from available Bond proceeds in the amounts and to the parties directed by the Program Administrator in the Closing Receipt, to fund the Costs of the Project. The Participant agrees that the sums so disbursed by the Trustee shall be used only for the payment of the Costs of the Project and shall not be used for any other purpose.

**Section 3.04 Participant Required to Pay Costs of Project in the Event that the Proceeds from the Participant Note are Insufficient.**

DeIVal shall have no obligation to provide any additional Loans to the Participant for the Costs of the Project if the proceeds of the Participant Note are not sufficient to pay all the Costs of the Project and all such costs shall be paid by the Participant. The Participant shall not be entitled to any reimbursement, abatement, diminution or postponement of the Repayments if the Participant cannot fund all of the Costs of the Project.

**Section 3.05 Completion.**

Except to the extent otherwise approved by DeIVal, the Participant shall have caused all of the proceeds of the Participant Note to be expended for Costs of the Project in accordance with the Participant Resolution, the Participant Tax Compliance Agreement (attached hereto as **Exhibit F**), and the Project Description (attached hereto as **Exhibit H**).

**Section 3.06 Rebate Fund.**

The Participant agrees to make such payments to the Trustee as are required of the Participant in connection with the required rebate, if any, of excess investment earnings to the United States Government or any required yield reduction payments attributable to the Loan and to pay the costs and expenses of Calhoun, Baker, Inc., or such other financial consulting firm, law firm or accounting firm specializing in federal arbitrage “rebate” matters under §148(f) of the *Code* (the “Rebate Analyst”) engaged by DeIVal to make rebate calculations for the Bonds. The obligation of the Participant to make such payments shall remain in effect and be binding upon the Participant notwithstanding the release and discharge of any security documents for the Bonds. The Participant shall keep such books and records with respect to the investment of Loan proceeds as shall be necessary in order for the Rebate Analyst to calculate the rebate or yield reduction payment, if any, with respect to the Bonds, and shall make such books and records available to the Rebate Analyst.

(End of Article III)

## ARTICLE IV

### LOAN BY DELVAL, LOAN PAYMENTS AND OTHER PAYMENTS

#### Section 4.01 Loan by DelVal.

Under the terms and conditions of this Loan Agreement, DelVal shall make the Loan to the Participant. The Loan shall be deemed fully advanced (net of any origination fees) on the date hereof. The interest on the Loan shall initially be the Loan Weekly Rate.

The Participant may request a conversion to the Loan Fixed Rate at any time by sending a notice (the "Fixed Rate Conversion Request") to the Administrator. The Fixed Rate Conversion Request shall specify (i) the amount of the Loan that would be subject to conversion, (ii) the term, or Loan Fixed Rate Period, that would apply, and (iii) any prepayment options. Upon receipt of the Fixed Rate Conversion Request, the Administrator shall exercise best efforts to enter into a Fixed Rate Swap Transaction to satisfy the Fixed Rate Conversion Request. The terms of any Fixed Rate Swap Transaction shall be subject to the approval of (i) the Participant and (ii) the Participant Credit Enhancer and Credit Facility Provider, if applicable. If the term of the Loan Fixed Rate Period is shorter than the term of the Loan, the interest rate of the portion of the Loan subject to the Loan Fixed Rate shall automatically revert to the Loan Weekly Rate at the end of the Loan Fixed Rate Period.

During a Loan Fixed Rate Period, the Participant may submit a new Fixed Rate Conversion Request or a request to convert to a Loan Weekly Rate (the "Weekly Rate Conversion Request") for all or a portion of the principal amount bearing interest at the Loan Fixed Rate. The Weekly Rate Conversion Request shall specify (i) the amount of the Loan that would be subject to conversion and (ii) the term, or Weekly Rate Period, that would apply. Upon receipt of the Weekly Rate Conversion Request, the Administrator shall exercise best efforts to offset the affected portion of the Fixed Rate Swap Transaction and to enter into a Weekly Rate Swap Transaction necessary to satisfy the Participant's request. The execution of the new Weekly Rate Swap Transaction shall be subject to the approval of (i) the Participant, (ii) the Administrator, and (iii) the Participant Credit Enhancer and Credit Facility Provider, if applicable.

#### Section 4.02 Repayments.

In consideration of and in repayment of the Loan, the Participant shall repay the principal of the Loan in the amounts, at the place, and on the dates set forth in each Participant Note and shall pay the interest on the Loan at the Loan Weekly Rate or the Loan Fixed Rate, as applicable, as calculated by the Program Administrator, monthly on the Loan Payment Dates. The Participant shall execute an authorization for the Sinking Fund Depository and the Trustee to use the Automated Clearing House (the "ACH") system, or any successor to the ACH system that may be used by financial institutions in the future, to collect such Repayments. The Participant shall also pay to DelVal any Termination Charge. Termination Charges shall be subordinate in right and priority of payment to payments of Loan Interest and Loan Principal.

The Administrator shall determine the Loan Rate (Loan Variable Rate or Loan Fixed Rate) for the Loan pursuant to the Indenture allocable to the Participant Note for the Bonds, Swap

Agreement, and Administrative Expenses. Loan Interest includes payments for the Swap Agreement, Bonds, and Administrative Expenses. The calculation of the Loan Weekly Rate and Loan Fixed Rate shall be conclusive and binding on the Participant, absent manifest error.

(a) At the end of each Loan Payment Period, the Administrator shall give notice of the revised Loan Rate to the Trustee. The failure to give any such notice shall not affect the change in the Loan Rate or the Participant's obligations to make the Repayments.

(b) Notwithstanding any provision herein to the contrary, the Loan Rate shall never be greater than the Maximum Rate of 15%.

(c) Using the Loan Weekly Rate or Loan Fixed Rate, as applicable, provided by the Administrator, the Trustee shall calculate the amount of interest payable on the Loan and shall send statements of the Repayments due on the Loan Payment Date to the Participant.

(d) The Participant hereby authorizes and directs **Wells Fargo Bank, N.A.**, its successors or its assigns, to serve as the Paying Agent and Sinking Fund Depository for the Participant Note in accordance with the *Debt Act*. Further in accordance with the *Debt Act*, the Sinking Fund Depository shall maintain a separate sinking fund account for the Participant into which it shall deposit Repayments paid by the Participant pursuant hereto.

#### **Section 4.03 Obligations Unconditional.**

The obligations of the Participant to make Repayments, Termination Charges and any payments required under Section 3.06 hereof, shall be absolute and unconditional, and the Participant shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Participant may have or assert against DeVal, the Trustee or any other person, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement, it being the intention of the parties that the payments required of the Participant hereunder will be paid in full when due without any delay or diminution whatsoever; provided, however, that Repayments and any payments required under Section 3.06 hereof shall be senior in right and priority of payment to Termination Charges due from the Participant in respect of this Loan Agreement. Repayments required to be paid by or on behalf of the Participant hereunder shall be received by DeVal or the Trustee as net sums and the Participant agrees to pay or cause to be paid all charges against or which might diminish such net sums.

#### **Section 4.04 Assignment of DeIVal's Right.**

DeIVal shall pledge and assign to the Trustee all of DeIVal's rights in, to and under this Loan Agreement and the Participant Note, other than the rights of DeIVal to indemnification or payment of expenses under Section 5.10 hereof and shall execute and deliver the Assignments attached hereto as **Exhibit G**. The Participant: (i) consents to such pledge and assignment; (ii) agrees to make or cause to be made Repayments directly to the Trustee without defense or set-off by reason of any dispute between the Participant and the Trustee; and (iii) acknowledges that in accordance with the provisions of the Indenture, upon a Loan Agreement Default, the Participant Credit Enhancer is entitled to control the exercise of remedies hereunder, so long as an event of a Participant Credit Enhancer Default has not occurred and is not continuing.

(End of Article IV)

## ARTICLE V

### COVENANTS OF PARTICIPANT

#### **Section 5.01 Use of Project.**

(a) The Participant shall permit DelVal and the Trustee to make inspections of its properties to determine compliance with this Section, after reasonable notice by DelVal to the Participant.

(b) The Participant hereby covenants that no private party shall have any special legal entitlement to the beneficial use of any portion of the Project through a lease, management contract, or any other arrangement in such manner so as to cause the Bonds to be private activity bonds as defined in §141 of the *Code*.

(c) The Participant shall use the facilities financed with the proceeds of the Participant Note, as more fully set forth in the Participant Resolution, in furtherance of its activities as a public instrumentality or body corporate and politic of the Commonwealth of Pennsylvania.

#### **Section 5.02 Exempt Status.**

The Participant shall maintain its status as a municipality authority and as an organization whose payments of interest on indebtedness incurred by it are exempt from taxation under Commonwealth law to the extent that such statutes and regulations provide for such exemption; and will notify DelVal and the Trustee of any event resulting in the loss of any such status or placing the same in jeopardy.

#### **Section 5.03 Insurance.**

The Participant shall maintain, with financially sound and reputable insurers (or, with a certificate of approval of a qualified insurance consultant, a program of self-insurance), insurance with respect to its properties and operations, including, but not limited to, the facilities financed with the proceeds of the Participant Note, as more fully set forth in the Participant Resolution, against such casualties and contingencies, of such types (including public liability insurance) and in such amounts as are customary in the same or similar activities.

#### **Section 5.04 Liens.**

The Participant shall not create, incur or suffer to exist, and has not created, incurred or suffered to exist, any lien, charge, security interest or encumbrance on the facilities financed with the proceeds of the Participant Note, as more fully set forth in the Participant Resolution, other than any created pursuant to this Loan Agreement.

### **Section 5.05 Delivery of Financial Information.**

The Participant shall deliver to DelVal its annual financial statements and notices of events as required in the Participant Continuing Disclosure Agreement, attached hereto as **Exhibit J**. THE FINANCIAL STATEMENTS SHALL BE IN COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES APPLICABLE TO THE PARTICIPANT AND SHALL BE AUDITED BY A CERTIFIED PUBLIC ACCOUNTING FIRM.

Until all of the proceeds of the Loan have been expended, the Participant shall provide a reconciliation, by date and amount, of all the expenditures of and investment earnings on the proceeds of the Loan no later than June 30 after the end of each fiscal year.

### **Section 5.06 Delivery of Other Information.**

The Participant's financial officer shall, at the reasonable request of DelVal or the Participant Credit Enhancer, if any, discuss the Participant's financial matters with DelVal or its designees and provide DelVal with copies of any documents reasonably requested by the Program Administrator or its designees.

### **Section 5.07 Maintenance of Existence.**

The Participant will maintain its existence as a municipal corporation, or, if applicable, a body corporate and politic of the Commonwealth of Pennsylvania.

### **Section 5.08 Prohibited Activities.**

The Participant shall not operate in any manner and shall not engage in any activities or take any action that might reasonably be expected to adversely affect the exemption of interest on the Bonds from federal income taxation.

### **Section 5.09 Taxes and Other Governmental Charges.**

The Participant shall pay, as the same become due, all taxes and governmental charges of any kind whatsoever that may be lawfully assessed, levied or imposed on DelVal or the Participant with respect to the Project.

### **Section 5.10 Indemnification.**

The Participant, to the extent it is lawfully able to do so and without representing or warranting that it is lawfully able to do so, shall at all times protect, indemnify and save harmless DelVal, the Program Administrator, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), the Sinking Fund Depository and the Trustee, their officers, directors, employees and agents, from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses) (collectively, "Claims") imposed upon or incurred by or asserted against DelVal, the Program Administrator, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), the Sinking Fund Depository or the Trustee, their officers, directors, employees and agents, on account of (a) any failure of the Participant to comply with any of the terms of this Loan Agreement or (b)

any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project or the use thereof. Nothing contained herein shall require the Participant to indemnify DelVal, the Program Administrator, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), the Sinking Fund Depository or the Trustee, their officers, directors, employees and agents, for any claim or liability resulting from any of their gross negligence or willful, wrongful acts.

If any action, suit or proceeding is brought against DelVal, the Program Administrator, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), the Sinking Fund Depository or the Trustee, their officers, directors, employees and agents, for any loss or damage for which the Participant is required to provide indemnification under this Section 5.10, the Participant, upon request, shall at its expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by the Participant and approved by DelVal, the Program Administrator, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), the Sinking Fund Depository or the Trustee, as the case may be, and such approval shall not be unreasonably withheld, provided that such approval shall not be required in the case of defense by counsel designated by any insurance company undertaking such defense pursuant to any applicable policy of insurance. The obligations of the Participant under this Section 5.10 shall survive any termination of this Loan Agreement or the Bonds.

**Section 5.11 Litigation Notice.**

The Participant shall give DelVal, the Participant Credit Enhancer, the Credit Facility Provider (if applicable) and the Trustee prompt written notice of any action, suit or proceeding pending or threatened against it at law or in equity, or before any governmental instrumentality or agency, which, if adversely determined, would materially impair the Project or would materially and adversely affect its business, operations, properties, assets or condition.

**Section 5.12 Tax Covenants of Participant.**

The Participant covenants and represents that it will at all times do and perform all acts and things necessary or desirable and within its reasonable control in order to assure that interest paid on the Bonds shall not be includable in the gross income of any Bondholder for federal income tax purposes. The Participant also covenants and represents that it shall not take or omit to take, or permit to be taken on its behalf, any actions which, if taken or omitted, would adversely affect the excludability from the gross income of the Bondholders of interest paid on the Bonds for federal income tax purposes. The Participant covenants for the benefit of the Bondholders that it will not use the proceeds of the Participant Note, any moneys derived, directly or indirectly, from the use or investment thereof or any other moneys on deposit in any fund or account maintained in respect of the Participant Note (whether such moneys were derived from the proceeds of the sale of the Participant Note or from other sources) in a manner which would cause the Bonds to be treated as “arbitrage bonds” within the meaning of §148 of the *Code*.

### **Section 5.13 Maintenance of Published Rating**

The Guarantor has covenanted to maintain a published rating of its unenhanced senior debt obligations from an NRSRO or a Participant Credit Enhancement so long as the Participant Note remains outstanding.

### **Section 5.14 Post Issuance Compliance Policy.**

The Participant acknowledges that it has the responsibility to monitor compliance with the provisions of the *Code* that relate to the Participant Note. In furtherance of the Participant's monitoring obligations, the Participant hereby covenants to establish, adopt and implement the following procedures in writing:

(a) To designate persons within the employ of the Participant with the responsibility for monitoring compliance, or if such persons are not in the employ of the Participant, retaining individuals to undertake such responsibility on behalf of the Participant.

(b) To make certain that the individuals responsible for monitoring compliance have been properly trained as to the issues which require compliance under the *Code*, and if such individuals do not have the requisite training, to engage appropriate persons to provide such training.

(c) To report to the executive staff of the Participant, not less than once each year, on the results of the monitoring activities.

(d) The written procedures shall include:

(1) Maintaining basic records and documents relating to the Participant Note;

(2) Maintaining documentation which evidences the expenditure of the proceeds of the Participant Note;

(3) Maintaining documentation evidencing the use of the project financed with the Participant Note by public and private entities;

(4) Maintaining documentation which evidences all sources of payment or security for the Participant Note;

(5) Maintaining documentation pertaining to any investment of proceeds of the Participant Note;

(6) Maintaining all such records relating to monitoring activity for at least six years after the Participant Note has been retired.

(7) If the monitoring process identifies a compliance issue, the procedure by which such issue is to be brought to the attention of the executive staff of the Participant.

(e) If the Participant identifies any material compliance issues or receives any notice or other communication from the Internal Revenue Service relating to the tax status of the Participant Note for federal income tax purposes, the Participant shall immediately notify DeVal.

### **Section 5.15 Pledge of Revenues and Covenants.**

The Participant hereby pledges the Revenues for the repayment of all the obligations due under the Loan Agreement and the Participant Note. The Participant hereby represents and covenants that it has not incurred and will not incur any other obligations with a pledge of Revenues senior to the pledge for the Participant Note as long as any obligations or payments due under the Loan Agreement or the Participant Note remain outstanding.

The Participant hereby covenants:

(a) to include all periodic, scheduled payments of Loan Interest and Loan Principal payable under the Loan Agreement and the Participant Note in the budget of the fiscal year in which such amounts are due and payable,

(b) to appropriate such amounts from its general revenues, and

(c) to pay, or cause to be paid, punctually and duly, such amounts that are due and payable under the Loan Agreement and the Participant Note on the dates, at the places, and in the manner stated in the Loan Agreement and the Participant Note.

The Participant hereby covenants:

(a) to include the amounts due under the Loan Agreement for Termination Charges for the DeVal Swap Agreement related to the Participant Note for each fiscal year in which such Termination Charges are payable in its budget for that year,

(b) to appropriate such amounts from its general revenues for the payment of such Termination Charges, and

(c) to duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the Termination Charges at the dates and places and in the manner stated in the Participant Note and the Loan Agreement.

The obligations to make scheduled payments of Loan Interest and Loan Principal are senior to any obligation for a Termination Charge allocable to the Participant Note.

(End of Article V)

**ARTICLE VI**  
**PREPAYMENT**

**Section 6.01 Optional Prepayment.**

The Loan may be prepaid in whole or in part, upon not less than thirty (30) days of written notice (the “Prepayment Notice”) to the Administrator, DeVal, the Swap Counterparty (if applicable), the Participant Credit Enhancer (if applicable), the Credit Facility Provider (if applicable), and the Trustee. The Prepayment Notice shall specify (i) the amount to be prepaid; (ii) if a partial prepayment, the maturities or installments of the Loan to which such prepayment is to be applied; and (iii) the date of the prepayment. IF ALL OR A PORTION OF THE LOAN BEARS INTEREST RELATED TO A FIXED RATE SWAP TRANSACTION OR A WEEKLY RATE SWAP TRANSACTION, THE PARTICIPANT SHALL PAY THE TERMINATION CHARGE, IF ANY, ASSOCIATED WITH THE TERMINATION OF THE RESPECTIVE FIXED RATE SWAP TRANSACTION OR WEEKLY RATE SWAP TRANSACTION. The Participant may withdraw a Prepayment Notice at any time at no penalty. Any partial prepayment shall not operate to abate or postpone Repayments otherwise becoming due or to alter or suspend any other obligations of the Participant under this Loan Agreement.

(End of Article VI)

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES

#### Section 7.01 Events of Default.

Each of the following shall constitute a Loan Agreement Default:

- (a) Failure by the Participant to make or cause to be made any Repayment or any payment under Sections 3.07 or 4.02 hereof on or prior to the date on which such payment is due and payable;
- (b) Failure by the Participant to observe and perform any other material agreement, term or condition contained in Section 2.02(d)(4) or 2.02(d)(5) of this Loan Agreement, the failure of the Participant to observe and perform any other agreement, term or condition, which other failure, except for the failure to make a Termination Charge, shall continue for a period of 30 days after notice thereof shall have been given to the Participant by DelVal, the Participant Credit Enhancer (if applicable), the Credit Facility Provider (if applicable), or the Trustee, or for such longer period as DelVal and the Trustee may agree to in writing; provided, however, that DelVal and the Trustee shall not agree to a period of more than 30 days without the consent of the Participant Credit Enhancer (if applicable), the Credit Facility Provider (if applicable); and provided, further, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, such failure shall not constitute a Loan Agreement Default so long as the consent of the Participant Credit Enhancer (if applicable) and the Credit Facility Provider (if applicable) is obtained and the Participant institutes curative action within the applicable period and diligently pursues such action to completion;
- (c) The Participant shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of itself or of its property, or (ii) admit in writing its inability to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated a bankrupt or insolvent, or (v) commence a voluntary case under the *United States Bankruptcy Code*, or file a voluntary petition or answer seeking reorganization, an arrangement with creditors or an order for relief, or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, or insolvency proceeding, or action shall be taken by it for the purpose of effecting any of the foregoing, or (vi) have instituted against it a proceeding in any court of competent jurisdiction, under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking in respect of the Participant an order for relief or an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of the Participant or of all or any substantial part of its assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by the Participant in good faith, the same shall (A) result in the entry of an order for relief or any such adjudication or appointment or (B) remain unvacated, undismissed and undischarged for a period of 60 days; and

(d) Any false or misleading representation or warranty made by the Participant or any subsequent action taken by the Participant which shall have a material adverse effect on: (i) the ability of the Participant to budget and appropriate Repayments, (ii) the ability of the Participant to make Repayments when they are due and payable, (iii) the validity and enforceability of this Loan Agreement, the Participant Note, or the Participant Tax Compliance Agreement, or (i) the tax-exemption of the DelVal Bonds that fund this Loan.

### **Section 7.02 Remedies on Default.**

(a) Whenever a Loan Agreement Default shall have occurred and be continuing, any one or more of the following remedial steps shall be taken at the direction of the Participant Credit Enhancer and may be taken with the consent of the Participant Credit Enhancer so long as an event of Participant Credit Enhancer Default has not occurred and is not continuing:

(1) DelVal or the Trustee may declare all Repayments to be immediately due and payable; however, upon such declaration by DelVal or the Trustee, the Participant shall have a period of one hundred eighty (180) days after the date of such declaration to make all Repayments, and

(2) DelVal or the Trustee may pursue any and all remedies now or hereafter existing under the *Debt Act* or otherwise at law or in equity to collect all amounts then due and thereafter to become due under this Loan Agreement or to enforce the performance and observance of any other obligation or agreement of the Participant under this Loan Agreement.

(b) The Participant covenants that, in case it shall fail to pay or cause to be paid any Repayments as and when the same shall become due and payable, whether at maturity or by acceleration or otherwise, then, upon demand of the Trustee, the Participant shall pay to the Trustee the whole amount that then shall have become due and payable hereunder; and, in addition thereto, any Termination Charges and such further amounts as shall be sufficient to cover the costs and expenses of collection, including a reasonable compensation to the Trustee, its agents and counsel, and any expenses or liabilities incurred by DelVal or the Trustee. In case the Participant shall fail forthwith to pay such amounts upon such demand, the Trustee shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid.

(c) In case there shall be pending proceedings for the bankruptcy or reorganization of the Participant under the federal bankruptcy laws or any other applicable law, or in case a receiver or trustee shall have been appointed for the benefit of the creditors or the property of the Participant, the Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount due hereunder, including interest owing and unpaid in respect thereof, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee allowed in such judicial proceedings relative to the Participant, its creditors or its property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute the same after the deduction of its charges and expenses. Any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to DelVal or the Trustee, and to pay to DelVal or the Trustee any amount

due it for compensation and expenses, including counsel fees incurred by it up to the date of such distribution.

Notwithstanding the foregoing subsections (a), (b) and (c), the Trustee shall not be obligated to take any step which in its opinion will or might cause it to expend money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Trustee at no cost or expense to the Trustee.

Amounts derived from the exercise of any of the foregoing remedies shall be paid to the Participant Credit Enhancer or otherwise applied, all as set forth in the Indenture, as long as an event of a Participant Credit Enhancer Default has not occurred and is not continuing.

### **Section 7.03 Remedies Not Exclusive.**

No remedy conferred upon or reserved to DelVal, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), or the Trustee by this Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement, or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle DelVal, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made herein.

### **Section 7.04 Payment of Legal Fees and Expenses.**

If a Loan Agreement Default should occur and DelVal, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), or the Trustee should incur expenses, including attorneys' fees and expenses, in connection with the enforcement of this Loan Agreement or the collection of sums due hereunder, the Participant shall reimburse DelVal, the Participant Credit Enhancer, the Credit Facility Provider (if applicable), and the Trustee, as applicable, for the expenses so incurred, upon demand.

### **Section 7.05 No Waiver.**

No failure by DelVal or the Trustee to insist upon the strict performance by the Participant of any provision hereof shall constitute a waiver of their right to strict performance and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by the Participant to observe or comply with any provision hereof.

**Section 7.06 Notice of Default.**

The Participant shall notify the Trustee, DelVal, the Participant Credit Enhancer (if applicable), the Credit Facility Provider (if applicable) immediately if it becomes aware of the occurrence of any Loan Agreement Default hereunder or of any fact, condition or event which, with the giving of notice or passage of time or both, would become a Loan Agreement Default.

(End of Article VII)

## ARTICLE VIII

### MISCELLANEOUS

#### **Section 8.01 Term of Loan Agreement.**

Subject to Section 8.02, this Loan Agreement shall be, and remain in, full force and effect from the date hereof until a date to be not later than the earlier of: (i) such time as all of the obligations hereunder, as evidenced by the Participant Note and this Agreement, shall have been fully paid (or provision made for such payment) and all of the obligations due to the Participant Credit Enhancer have been fully paid or (ii) the applicable security documents for the Bonds shall have been released and all other sums payable by the Participant under this Loan Agreement shall have been paid, except for obligations of the Participant under Section 5.10 hereof, which shall survive any termination of this Loan Agreement.

#### **Section 8.02 Amounts Paid by the Participant Credit Enhancer.**

Amounts paid by the Participant Credit Enhancer, if any, under the Participant Credit Enhancement, if any, shall not be deemed paid for purposes of this Loan Agreement and shall remain outstanding and continue to be due and owing until paid by the Participant in accordance with this Loan Agreement. This Loan Agreement shall not be discharged unless all amounts due or to become due to the Participant Credit Enhancer have been paid in full.

### **Section 8.03 Notices.**

All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by overnight, registered or certified mail, postage prepaid, and addressed as follows:

If to the Participant:	Towamencin Municipal Authority 2225 Kriebel Road Lansdale, PA 19446
If to the Guarantor:	Township of Towamencin 1090 Troxel Road Lansdale, PA 19446
If to DelVal:	Delaware Valley Regional Finance Authority c/o Calhoun Baker Inc. 1811 Bethlehem Pike Flourtown Commons, Suite 350 Flourtown, PA 19031-1111
with copies to:	Carmen P. Belefonte, Esq. 20 West Third Street P.O. Box 1670 Media, PA 19063
If to the Trustee:	TD Bank, N.A. Institutional Trust 1006 Astoria Boulevard Cherry Hill, NJ 08034
If to the Sinking Fund Depository:	Wells Fargo Bank, N.A. 4 Penn Center 1600 JFK Boulevard, Suite 810 Philadelphia, PA 19103

The Participant, DelVal, and the Trustee, by notice given hereunder to the Persons listed above, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

### **Section 8.04 Limitation of Liability; No Personal Liability.**

In the exercise of the rights and powers granted to DelVal, the Sinking Fund Depository, or the Trustee hereunder or otherwise with respect to the Bonds, including, without limitation, the application of moneys and the investment of funds, none of DelVal, the Sinking Fund Depository, the Trustee, or their respective members, directors, officers, employees or agents shall be accountable to the Participant for any action taken or omitted by any of them in good faith and with the belief that it is authorized or within the discretion of the rights or powers conferred. DelVal, the Sinking Fund Depository, the Trustee and their members, directors, officers,

employees and agents shall be protected in acting upon any paper or document believed to be genuine, and any of them may conclusively rely upon the advice of counsel and shall be free from any liability for acting or refraining from acting in reliance upon such advice and may (but need not) require further evidence of any fact or matter before taking any action. In the event of any default by DeVal hereunder, the liability of DeVal to the Participant shall be enforceable only out of DeVal's interest under this Loan Agreement and there shall be no other recourse for damages by the Participant against DeVal, its members, directors, officers, attorneys, agents and employees, or any of the property now or hereafter owned by it or them. All covenants, obligations and agreements of DeVal contained in this Loan Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future member, director, officer, agent or employee of DeVal, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of DeVal contained in this Loan Agreement, the Bonds or any security document for the Bonds.

#### **Section 8.05 Binding Effect.**

This Loan Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon DeVal, the Participant and their respective successors and assigns; provided that this Loan Agreement may not be assigned by the Participant (except upon compliance with Section 8.09 hereof) and may not be assigned by DeVal except to the Trustee in accordance with the Bonds or as otherwise may be necessary to enforce or secure payment of debt service on the Bonds. This Loan Agreement may be enforced only by the parties, the Participant Credit Enhancer, their assignees, and others who may, by law, stand in their respective places.

#### **Section 8.06 Amendments.**

Except as otherwise expressly provided in this Loan Agreement or any security document for the Bonds subsequent to the issuance of the Bonds and unless and until all conditions provided for in the Bonds have been met, this Loan Agreement may not be amended, modified or terminated except by an instrument in writing signed by the Participant and DeVal and consented to by the Participant Credit Enhancer and or the Credit Facility Provider (if applicable).

#### **Section 8.07 Counterparts.**

This Loan Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same instrument.

**Section 8.08 Severability.**

If any provision of this Loan Agreement is determined by a court to be invalid or unenforceable, such determination shall not affect any other provision hereof, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. Such invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision shall be deemed to be effective, operative and entered into in the manner and to the full extent permitted by applicable law.

**Section 8.09 Governing Law.**

This Loan Agreement shall be deemed to be a contract made under the laws of the Commonwealth of Pennsylvania and for all purposes shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

**Section 8.10 Assignment.**

The Participant shall not assign this Loan Agreement or any interest of the Participant herein, either in whole or in part, without the prior written consent of the Trustee, which consent shall be given if the following conditions are fulfilled: (i) the assignee assumes in writing all of the obligations of the Participant hereunder; (ii) neither the validity nor the enforceability of this Loan Agreement shall be adversely affected by such assignment; (iii) the Project shall continue, in the opinion of Bond Counsel, to be a “project” as such term is defined in the *Debt Act* after such assignment; (iv) a Favorable Opinion of Bond Counsel is received, (v) DelVal consents and (vi) the Participant Credit Enhancer (if applicable) and the Credit Facility Provider (if applicable) consent.

(End of Article VIII)

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the DELAWARE VALLEY REGIONAL FINANCE AUTHORITY.

Dated: July 26, 2019




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JOSEPH E. BRION  
Chairman

[Seal]

ATTEST:



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PATRICIA K. POPRIK  
Secretary

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the TOWAMENCIN MUNICIPAL AUTHORITY, Montgomery County, Pennsylvania.

Dated: July 26, 2019

  
\_\_\_\_\_  
JOHN E. MINIHAN  
VICE CHAIRMAN

[Seal]

ATTEST:

  
\_\_\_\_\_  
BETH SMITH  
SECRETARY

**EXHIBIT A:  
PARTICIPANT NOTE**

**EXHIBIT B:  
PARTICIPANT RESOLUTION AND CERTIFICATION**

**EXHIBIT C:  
CLOSING RECEIPT**

**EXHIBIT D:  
ACKNOWLEDGEMENT OF RECEIPT OF THE FILING FOR THE AWARD OF A  
QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT**

**EXHIBIT E:  
APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
DEVELOPMENT**

**EXHIBIT F:  
PARTICIPANT TAX COMPLIANCE AGREEMENT**

**EXHIBIT G:  
ASSIGNMENT OF LOAN AGREEMENT**

**EXHIBIT H:  
PROJECT DESCRIPTION**

**EXHIBIT I:  
INTEREST RATE MANAGEMENT PLAN**

**EXHIBIT J:  
PARTICIPANT CONTINUING DISCLOSURE AGREEMENT**

**EXHIBIT K:  
RESERVED**

**EXHIBIT L:  
GUARANTOR ORDINANCE**

**EXHIBIT M:  
GUARANTY AGREEMENT**

**EXHIBIT N:  
GUARANTOR CONTINUING DISCLOSURE AGREEMENT**

# **Attachment A-5**

**GUARANTY AGREEMENT**

among the

**TOWNSHIP OF TOWAMENCIN**  
Montgomery County, Pennsylvania,

and the

**TOWAMENCIN MUNICIPAL AUTHORITY**  
as issuer of the \$8,026,000 Guaranteed Sewer Revenue Notes, 2019 Series

and the

**DELAWARE VALLEY REGIONAL FINANCE AUTHORITY**  
as purchaser of the \$8,026,000 Guaranteed Sewer Revenue Notes, 2019 Series

Dated as of  
July 26, 2019

# **GUARANTY AGREEMENT**

## **Table of Contents**

<b>Section 1.</b>	<b>Representations, Warranties, and Covenants of the Guarantor.....</b>	<b>4</b>
<b>Section 2.</b>	<b>Covenants of the Authority .....</b>	<b>7</b>
<b>Section 3.</b>	<b>Delivery of Financial Information .....</b>	<b>7</b>
<b>Section 4:</b>	<b>Events of Guarantor Default and Remedies.....</b>	<b>7</b>
	<b>(a) Events of Default .....</b>	<b>7</b>
	<b>(b) Notice of Default .....</b>	<b>9</b>
	<b>(c) Remedies of Default .....</b>	<b>9</b>
<b>Section 5.</b>	<b>Assignment .....</b>	<b>10</b>
	<b>(a) Assignment by DelVal .....</b>	<b>10</b>
	<b>(b) Assignment by the Guarantor.....</b>	<b>10</b>
<b>Section 6.</b>	<b>Amendment.....</b>	<b>11</b>
<b>Section 7.</b>	<b>Notices.....</b>	<b>11</b>
<b>Section 8.</b>	<b>Severability and Beneficiary .....</b>	<b>11</b>
<b>Section 9.</b>	<b>Governing Law .....</b>	<b>12</b>
<b>Section 10.</b>	<b>Waiver .....</b>	<b>12</b>

**GUARANTY AGREEMENT**  
**for the \$8,026,000 Guaranteed Sewer Revenue Notes, 2019 Series**  
**Issued by the**  
**TOWAMENCIN MUNICIPAL AUTHORITY**

This Guaranty Agreement (the “Guaranty”) is made and entered into as of July 26, 2019, among: (i) the TOWNSHIP OF TOWAMENCIN (the “Township” or “Guarantor”), as guarantor, (ii) the TOWAMENCIN MUNICIPAL AUTHORITY (the “Authority”), as the issuer, and (iii) the DELAWARE VALLEY REGIONAL FINANCE AUTHORITY (“DelVal”), as the purchaser of the Guaranteed Sewer Revenue Notes, 2019 Series.

WITNESSETH:

WHEREAS, the Towamencin Municipal Authority (the “Authority”) was incorporated pursuant to the *Municipality Authorities Act*, 53 Pa. C.S. §5601 *et seq* (the “*Authorities Act*”) and appropriate actions of the Board of Supervisors of the Township of Towamencin (the “Township”), Montgomery County, Pennsylvania; and

WHEREAS, the Authority owns and operates certain wastewater treatment facilities in the Township (the “Authority Facilities”); and

WHEREAS, the Authority assesses and collects rentals, rates, and other charges (collectively, the “Revenues”) for the use of the Authority Facilities; and

WHEREAS, the Authority issued the \$9,300,000 Guaranteed Revenue Notes, Series of 2015 (the “2015 Notes”) to acquire and improve the Authority Facilities; and

WHEREAS, the current refunding of the 2015 Notes would reduce the debt service costs of the Authority; and

WHEREAS, the incurrence of debt by the issuance of the Guaranteed Sewer Revenue Notes, 2019 Series (collectively, the “Participant Note”) is necessary to provide the funding to redeem the 2015 Notes; and

WHEREAS, the refunding project (the “2019 Project”), consisting of (i) the current refunding of the 2015 Notes and (ii) the payment of the costs of issuance of the Participant Note, will benefit the health and welfare of the residents of the Township; and

WHEREAS, the Authority has received preliminary estimates of the costs of the 2019 Project from persons qualified by experience; and

WHEREAS, the Delaware Valley Regional Finance Authority (“DelVal”) has submitted a purchase proposal (the “Loan Commitment”) to purchase the Guaranteed Sewer Revenue Notes, 2019 Series to fund the 2019 Project; and

WHEREAS, the 2019 Project shall be for the benefit and use of the general public, and no private party shall have any special legal entitlement to the beneficial use of the Authority Facilities, through a lease, management contract, or any other arrangement that would result in a private business use under the *Internal Revenue Code of 1986* (the “Code”), as amended; and

WHEREAS, the Authority has determined that the negotiated sale of the Participant Note to DelVal is in the best financial interest of the Authority; and

WHEREAS, the Loan Commitment requires the execution and delivery of a guaranty agreement (the “Guaranty”) by the Township as a condition to the purchase of the Participant Note; and

WHEREAS, the Township has determined that the 2019 Project will benefit and contribute to the health and general welfare of the Township’s residents; and

WHEREAS, the Township has determined that the execution of the Guaranty will allow the Authority to minimize the costs of issuance and the interest costs of the Participant Note and thereby minimize the rates and charges that the Authority must assess for use of the Authority Facilities; and

WHEREAS, the execution and delivery of the Guaranty, under which the Township shall guarantee the Authority’s obligations to pay principal, interest, and other charges due and payable to DelVal under the terms of the Participant Note and the related loan agreement (the “Loan Agreement”) will constitute “lease rental debt” under the Pennsylvania *Local Government Unit Debt Act*, 53 Pa. C.S.A. §8001, et seq (the “Debt Act”), as amended and restated; and

WHEREAS, the proposed increase of lease rental debt from the execution of the Guaranty, together with the nonelectoral and lease rental debt presently outstanding, will not cause the constitutional or statutory debt limitations of the Township to be exceeded; and

WHEREAS, the Revenues to be pledged by the Authority to repay the Participant Note are expected to be sufficient to pay the costs of operation and maintenance of the Authority Facilities and to pay the Authority's debt obligations; and

WHEREAS, DelVal, a public authority within the meaning of the *Debt Act*, has from time to time issued Local Government Revenue Bonds (the "DelVal Bonds"), to provide funds for loans to be secured by the pledge of the full faith, credit and taxing power of local government units (the "Loan Program"); and

WHEREAS, DelVal has from time to time entered into interest rate swap agreements related to the DelVal Bonds (collectively, the "DelVal Swap Agreement") in order to provide a more cost-effective Loan Program and to allow participants in the Loan Program to manage interest rate risk more efficiently; and

WHEREAS, Calhoun Baker Inc. (the "Financial Advisor") is an "Independent Financial Advisor", as such term is defined in the *Debt Act*, to DelVal, and the Financial Advisor has prepared an "Interest Rate Management Plan" (the "Plan"), as such term is defined in the *Debt Act*, and an Interest Rate Swap Management Policy (the "Swap Policy") that have been adopted by the Board of Directors of DelVal; and

WHEREAS, DelVal established minimum criteria of long term, senior, unsecured debt ratings in the "AA" category or higher by at least one Nationally Recognized Statistical Rating Organization registered with the Securities and Exchange Commission for any counterparty to the DelVal Swap Agreement (or a rating equal to or higher than the counterparty active under a swap agreement related to any series of DelVal Bonds), and the Board of DelVal found that the award of transactions under the DelVal Swap Agreement by negotiation in a private sale was in the best financial interests of DelVal and the participants in the Loan Program, and the Financial Advisor concluded that the financial terms and conditions of the DelVal Swap Agreement were fair and reasonable as of the date of award; and

WHEREAS, under the terms of the Loan Agreement with DelVal, interest payments on the Participant Note (the “Loan Interest”) will equal the amounts allocable to the Participant Note for interest on the DelVal Bonds, regularly scheduled payments on the DelVal Swap Agreement, and other costs and liquidity requirements incurred by DelVal to administer the Loan Program; and

WHEREAS, under the terms of the Loan Agreement with DelVal, the principal amount outstanding of the Participant Note (the “Loan Principal”) will equal the notional amount of the DelVal Swap Agreement related to the Participant Note; and

WHEREAS, under the terms of the Guaranty, the Township shall guarantee the timely payment of Loan Interest and Loan Principal (collectively, the “Repayments”) and all other amounts due under the Loan Agreement and the Participant Note, including payments under the DelVal Swap Agreement related to the Participant Note; and

WHEREAS, the Township intends to (i) designate the Guaranty and the portion of the DelVal Swap Agreement related to the Participant Note and the Loan Agreement as a Qualified Interest Rate Management Agreement under the *Debt Act*, (ii) approve the Plan as the Interest Rate Management Plan required by the *Debt Act*, and (iii) adopt the Swap Policy; and

WHEREAS, any term not defined in this Guaranty Agreement shall have the meaning ascribed to it in the Loan Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND INTENDING TO BE LEGALLY BOUND, THE TOWNSHIP, THE AUTHORITY, AND DELVAL DO HEREBY COVENANT AND AGREE:

**SECTION 1. REPRESENTATIONS, WARRANTIES, AND COVENANTS OF THE GUARANTOR**

1. The Township hereby represents and warrants (i) that it is a political subdivision of the Commonwealth of Pennsylvania with the requisite power and authority to enter into and perform all obligations of this Guaranty and (ii) that the execution and delivery of this Guaranty has been properly authorized.
2. This Guaranty is necessary to promote the health and general welfare of the residents of the Township.

3. The assumption of the obligations of guarantor for the Authority constitutes lease rental debt under the provisions of the *Debt Act*, and, in the event of a deficiency by the Authority, the Township hereby unconditionally guarantees and pledges its full faith, credit, and taxing power to pay Loan Interest and Loan Principal payable under the Loan Agreement and the Participant Note when due in accordance with its terms, without setoff or counterclaim. The obligations of the Township under this Guaranty shall be payable from ad valorem taxes levied against all taxable real property in the Township, without limitation as to rate or amount. The obligations of the Township hereunder are absolute, unconditional and irrevocable. This covenant shall be specifically enforceable.
4. No litigation or legal or governmental action, proceeding, inquiry, or investigation pending or threatened, exists to the knowledge of the Township which has not been disclosed to DelVal, which, if determined adversely to the Township, would individually or in the aggregate materially and adversely affect the validity or the enforceability of this Guaranty or the ability of the Township to make payments contemplated by this Guaranty.
5. The Township has adopted and accepted the Plan as the Interest Rate Management Plan related to the Participant Note.
6. The Township has authorized and awarded the Loan Agreement and the DelVal Swap Agreement allocable to the Participant Note, as the Qualified Interest Rate Management Agreement related to the Participant Note and the Guaranty.
7. In the event of a deficiency by the Authority, the Township hereby pledges its full faith, credit, and taxing power to pay any scheduled payments due and payable under the Loan Agreement related to the DelVal Swap Agreement allocable to the Participant Note. The Township covenants to budget, appropriate, and pay any termination payment (the “Termination Charge”) that may be due under the DelVal Swap Agreement allocable to the Participant Note. The obligations of the Township under this Guaranty shall be payable from ad valorem taxes levied against all taxable real property in the Township, without limitation as to rate or amount. The obligations of the Township hereunder are absolute, unconditional and irrevocable.
8. The Township covenants to (i) include in its budget for each fiscal year the principal of and interest on the Participant Note and any other amounts payable under the Loan Agreement for such fiscal year, (ii) appropriate such amounts from its taxes and other revenues for the

payment of such amounts as required hereunder and (iii) duly and punctually pay or cause to be paid the amounts payable under the Loan Agreement and the Participant Note, on the dates, at the place, and in the manner stated in the Loan Agreement, the Indenture and the Participant Note. Moreover, the Township covenants that, to the extent sufficient money shall not be available in its then current budget at any time when payments are required hereunder, and if it shall be unable to incur debt lawfully in the current year for the purpose or to issue tax anticipation notes or otherwise satisfy its obligations hereunder, it shall include any amounts so payable by it in its budget for the next succeeding fiscal year and shall appropriate such amounts to the payment of such obligations and duly and punctually shall pay or shall cause to be paid its obligations incurred hereunder in the manner herein stated according to the true intent and meaning hereof,

9. Any reimbursement to the Township by the Authority for payments made hereunder shall be subordinate to debt service on the Participant Note and amounts due under the Loan Agreement.
10. The Township hereby agrees that this is a guaranty of payment and not of collection and waives all defenses available to a guarantor, including without limitation any failure of the Authority to comply with any provisions hereof or any other document.
11. The Township acknowledges that it shall not be a beneficiary of the Participant Credit Enhancement, if any, and any amount of the Participant Note paid by a draw on the Participant Credit Enhancement shall remain outstanding for all purposes hereof. In accordance with the foregoing, the Township hereby waives all rights it may have under the Bond Insurance Policy, including without limitation, any rights that the Township may have obtained or been granted as the result of it being subrogated to or assigned the rights of any Noteholder pursuant to the terms of this Guaranty, any other security document, or at law, or in equity.
12. The Township shall provide DelVal with notice of the commencement of any proceeding by or against such Guarantor commenced under the *United States Bankruptcy Code* or other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law.
13. The obligations the Township hereunder shall not terminate until the all Repayments have been made, the Participant Note is no longer outstanding and all amounts due and owing to DelVal have been paid.

14. The Township covenants to maintain a published rating of its unenhanced senior debt obligations from a Nationally Recognized Statistical Rating Organization or a Participant Credit Enhancement so long as the Participant Note remains outstanding.

## **SECTION 2. COVENANTS OF THE AUTHORITY**

The Authority hereby pledges all revenues it receives (the “Revenues”) for the repayment of all the obligations due under the Loan Agreement and the Participant Note. The Authority covenants to (i) include the amount of the Loan Interest and Loan Principal (collectively, the “Repayments”) for each fiscal year in which such sums are payable in its budget for that year, (ii) appropriate such amount from its general revenues for the payment of such Repayments, and (iii) duly and punctually pay, or cause to be paid, from its revenues or other funds, the Repayments on the dates, at the places, and in the manner stated in the Loan Agreement and the Participant Note, according to the true intent and meaning thereof.

The Authority shall send notice to the Township and DelVal of the amount of any deficiency to be funded by the Township under this Guaranty as soon as the Authority is aware of a deficiency of funds for a payment due under the Participant Note and Loan Agreement.

## **SECTION 3. DELIVERY OF FINANCIAL INFORMATION**

The Township has executed the Guarantor Continuing Disclosure Agreement, and the Authority has executed the Participant Continuing Disclosure Agreement. The chief financial officers of the Township and Authority shall, at the reasonable request of DelVal or the Trustee, discuss their respective financial conditions and provide any information or documents necessary for surveillance of the Participant Note or this Guaranty.

## **SECTION 4: EVENTS OF GUARANTOR DEFAULT AND REMEDIES**

### **(a) Events of Default**

An event of Guarantor default (“Guarantor Default”) shall occur if any of the following circumstances exist:

1. The failure by the Township to pay any amounts required under the provisions of this Guaranty on or before the date on which such payments are due and payable;

2. Any warranty, representation or other statement by or on behalf of the Township contained in this Guaranty or in any instrument furnished in compliance with, in connection with, or in reference to this Guaranty is false or misleading in any material, adverse respect;
3. A petition is filed against the Township under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 30 days after such filing, but DelVal and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such 30 days to protect their interests;
4. The Township files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;
5. The Township admits insolvency or bankruptcy or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator, or trustee) of the Township, or of any of its property, is appointed by court order or takes possession thereof, and such order remains in effect or such possession continues for more than 30 days, but DelVal and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such 30 day period to protect their interests and the interests of the holders of the DelVal Bonds;
6. Any material provision of this Guaranty shall at any time for any reason cease to be valid and binding on the Township or shall be declared to be null and void, or the validity or enforceability of any thereof shall be contested by the Township or any governmental agency or authority (other than DelVal), or if the Township shall deny any further liability or obligation under this Guaranty; and
7. The failure by the Township to observe and perform any other covenant, condition, or agreement on its part to be observed or performed under this Guaranty for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the Township by DelVal or the Trustee, unless DelVal and the Trustee shall

agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice is correctable but cannot be corrected within the applicable period, DelVal and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Township within the applicable period and diligently pursued until the Guarantor Default is corrected.

**(b) Notice of Default**

The Township agrees to give DelVal and the Trustee prompt written notice of the occurrence of any event or condition which would constitute a Guarantor Default immediately upon becoming aware of the existence thereof.

**(c) Remedies of Default**

Whenever any Guarantor Default referred to in Section 4(a) hereof shall have occurred and be continuing, DelVal and the Trustee shall, in addition to any other remedies provided herein or by law, have the right, at its or their option without any further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due thereunder or to enforce any other rights of DelVal and the Trustee.

The Township shall on demand pay to DelVal or the Trustee, as the case may be, the reasonable fees and expenses of attorneys and other reasonable expenses incurred by any of them, in the collection of Repayments or any other sum due or the enforcement of performance of either other obligations of the Township upon an event of Guarantor Default or in connection with any actions taken by DelVal and the Trustee pursuant to Section 4(c) hereof.

Any moneys collected by DelVal and the Trustee pursuant to Section 4(c) hereof shall be applied in the following order of priority: (i) first, to pay the Loan Interest component of the Repayment, (ii) second, to pay the Loan Principal component of the Repayment, (iii) third, to pay all penalties, (iv) fourth, to pay any attorney's fees or other expenses owed by the Township pursuant to Section 4(c) hereof, (v) fifth, to pay any other amounts due hereunder, and (vi) sixth, to pay all Repayments which are not then due, as they become due.

No remedy herein conferred upon or reserved to DelVal and the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty and the Loan Agreement or now or hereafter existing at law or

in equity. No delay or omission to exercise any right, remedy or power accruing upon any Guarantor Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle DeIVal or the Trustee to exercise any remedy reserved to it in this Section 4 it shall not be necessary to give any notice, other than such notice as may be required in this Section 4.

**SECTION 5. ASSIGNMENT**

**(a) Assignment by DeIVal**

This Guaranty, Loan Agreement, and Participant Note, including the right to receive payments required to be made by the Township hereunder and thereunder and to compel or otherwise enforce performance by the Township of its other obligations hereunder and thereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by DeIVal at any time subsequent to its execution, without the necessity of obtaining the consent of the Township. The Township expressly acknowledges that all right, title and interest of DeIVal in and to this Guaranty, Loan Agreement, and Participant Note, excluding DeIVal’s rights hereunder to give and withhold consent, indemnification, to the receipt of notices and the payment of fees and expenses, has been assigned to the Trustee, as security for the DeIVal Bonds. If any Event of Default shall occur, the Trustee shall be entitled to act hereunder in the place and stead of DeIVal.

The Township hereby approves and consents to such assignment; provided, however, that any such assignment, transfer and pledge of this Guaranty, Loan Agreement, and Participant Note shall not subject the Trustee to any of the obligations hereunder of DeIVal and the assignment and pledge thereto to the Trustee shall not be subject to any defense, set-off, counterclaim and recoupment whatsoever arising by reason of any indebtedness or liability at any time owing to DeIVal or the Trustee, or any manufacturer or supplier of any portion of the 2019 Project.

**(b) Assignment by the Guarantor**

This Guaranty and Loan Agreement may not be assigned or encumbered by the Township for any reason without the express written consent of DeIVal, the Program Administrator and the Trustee.

**SECTION 6. AMENDMENT**

The terms and provisions of this Guaranty may not be modified, changed, amended or terminated without the written approval of the Township, the Authority, and DelVal.

**SECTION 7. NOTICES**

All notices, demands, certificates, requests and documents hereunder shall be sent to:

Township of Towamencin  
1090 Troxel Road  
Lansdale, PA 19446

Towamencin Municipal Authority  
2225 Kriebel Road  
Lansdale, PA 19446

TD Bank, N.A.  
Institutional Trust  
1006 Astoria Boulevard  
Cherry Hill, NJ 08034

Delaware Valley Regional Finance Authority  
1811 Bethlehem Pike  
Flourtown Commons, Suite 350  
Flourtown, PA 19031-1111

Such notice shall be deemed to be given when received if delivered personally or two (2) business days after the date mailed if sent by certified or registered mail, return receipt requested, or one (1) day after deposited with a nationally recognized overnight courier service in time for next day delivery, provided such next day delivery is not a Saturday, Sunday, or holiday. Any notice of any change in such address shall also be given in the manner set forth above. Whenever the giving of notice is required, the giving such notice may be waived in writing by the party entitled to receive such notice.

**SECTION 8. SEVERABILITY AND BENEFICIARY**

If any provision of this Guaranty is for any reason held to be illegal or invalid by any court, such illegality or invalidity or inoperability shall not affect the remainder of this Guaranty. The remaining provisions of this Guaranty shall be construed and enforced as if the illegal or invalid provisions had not been contained therein.

**SECTION 9. GOVERNING LAW**

This Guaranty shall be deemed to be a contract made under the laws of the Commonwealth of Pennsylvania, and all provisions hereof shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania, without reference to the choice of law principles thereof.

**SECTION 10. WAIVER**

The waiver of any part of a default or breach of any provision of this Guaranty by any other party shall not operate or be construed to operate as a waiver of any subsequent default or breach.

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the TOWNSHIP OF TOWAMENCIN, Montgomery County, Pennsylvania.

Dated: July 26, 2019



H. CHARLES WILSON, III  
Chairman, Board of Supervisors

[Seal]

ATTEST:



JAMES P. SINZ  
Secretary, Board of Supervisors

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the TOWAMENCIN MUNICIPAL AUTHORITY, Montgomery County, Pennsylvania.

Dated: July 26, 2019



JOHN E. MINIHAN  
VICE CHAIRMAN

[Seal]

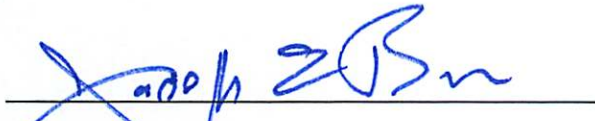
ATTEST:



BETH SMITH  
SECRETARY

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the DELAWARE VALLEY REGIONAL FINANCE AUTHORITY, Bucks, Chester, Delaware, and Montgomery Counties, Pennsylvania.

Dated: July 26, 2019

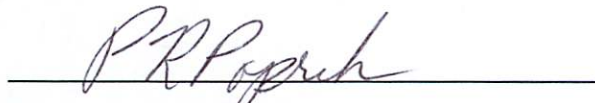


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JOSEPH E. BRION  
CHAIRMAN

[Seal]

Attest:



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PATRICIA K. POPRIK  
SECRETARY

# **Attachment A-6**

# TOWAMENCIN TOWNSHIP

ORDINANCE NO. 24-04

---

AN ORDINANCE AMENDING CHAPTER 127 [SEWERS] BY: (1) MAKING RESIDENTIAL AND NONRESIDENTIAL SEWER RENTALS CHARGED/PAYABLE QUARTERLY IN SECTION 127-33 [BASIC RENTAL]; (2) REDUCING THE WATER VOLUME CONSIDERATION PERIOD FROM SIX-MONTHS TO THREE-MONTHS FOR CONSUMPTION-BASED NONRESIDENTIAL ACCOUNTS AND PROVIDING FOR QUARTERLY COLLECTION OF METER INSTALLATION AND MAINTENANCE COSTS IN SECTION 127-35 [NONRESIDENTIAL USERS; PRIVATE SYSTEMS; INDUSTRIAL ESTABLISHMENTS] AND SUB-SECTION F, RESPECTIVELY; (3) REPLACING ANNUAL WITH QUARTERLY RESIDENTIAL SEWER RENTAL BILLING AND THE AFTER 120 DAY 10% PENALTY WITH AN AFTER 30 DAY 10% PENALTY IN SECTION 127-36(A) AND (B) [TIME AND METHOD OF PAYMENT; PENALTIES AND INTEREST], RESPECTIVELY; AND (4) REPLACING ANNUAL BILLING APPORTIONMENT WITH QUARTERLY BILLING APPORTIONMENT IN SECTION 127-37 [APPORTIONMENT OF RECENTS]

---

ENACTED

June 12, 2024

# TOWAMENCIN TOWNSHIP

ORDINANCE NO. 24-04

---

AN ORDINANCE AMENDING CHAPTER 127 [SEWERS] BY: (1) MAKING RESIDENTIAL AND NONRESIDENTIAL SEWER RENTALS CHARGED/PAYABLE QUARTERLY IN SECTION 127-33 [BASIC RENTAL]; (2) REDUCING THE WATER VOLUME CONSIDERATION PERIOD FROM SIX-MONTHS TO THREE-MONTHS FOR CONSUMPTION-BASED NONRESIDENTIAL ACCOUNTS AND PROVIDING FOR QUARTERLY COLLECTION OF METER INSTALLATION AND MAINTENANCE COSTS IN SECTION 127-35 [NONRESIDENTIAL USERS; PRIVATE SYSTEMS; INDUSTRIAL ESTABLISHMENTS] AND SUB-SECTION F, RESPECTIVELY; (3) REPLACING ANNUAL WITH QUARTERLY RESIDENTIAL SEWER RENTAL BILLING AND THE AFTER 120 DAY 10% PENALTY WITH AN AFTER 30 DAY 10% PENALTY IN SECTION 127-36(A) AND (B) [TIME AND METHOD OF PAYMENT; PENALTIES AND INTEREST], RESPECTIVELY; AND (4) REPLACING ANNUAL BILLING APPORTIONMENT WITH QUARTERLY BILLING APPORTIONMENT IN SECTION 127-37 [APPORTIONMENT OF RECENTS]

---

## ATTESTATION

The attached is an attested copy of Ordinance 24-04 that was enacted by the Board of Supervisors at its June 12, 2024 Meeting.

**TOWAMENCIN TOWNSHIP**



---

ROBERT J. IANNOZZI JR.

*Solicitor*

Date: June 13, 2024

# TOWAMENCIN TOWNSHIP

## ORDINANCE NO. 24-04

---

AN ORDINANCE AMENDING CHAPTER 127 [SEWERS] BY: (1) MAKING RESIDENTIAL AND NONRESIDENTIAL SEWER RENTALS CHARGED/PAYABLE QUARTERLY IN SECTION 127-33 [BASIC RENTAL]; (2) REDUCING THE WATER VOLUME CONSIDERATION PERIOD FROM SIX-MONTHS TO THREE-MONTHS FOR CONSUMPTION-BASED NONRESIDENTIAL ACCOUNTS AND PROVIDING FOR QUARTERLY COLLECTION OF METER INSTALLATION AND MAINTENANCE COSTS IN SECTION 127-35 [NONRESIDENTIAL USERS; PRIVATE SYSTEMS; INDUSTRIAL ESTABLISHMENTS] AND SUB-SECTION F, RESPECTIVELY; (3) REPLACING ANNUAL WITH QUARTERLY RESIDENTIAL SEWER RENTAL BILLING AND THE AFTER 120 DAY 10% PENALTY WITH AN AFTER 30 DAY 10% PENALTY IN SECTION 127-36(A) AND (B) [TIME AND METHOD OF PAYMENT; PENALTIES AND INTEREST], RESPECTIVELY; AND (4) REPLACING ANNUAL BILLING APPORTIONMENT WITH QUARTERLY BILLING APPORTIONMENT IN SECTION 127-37 [APPORTIONMENT OF RECENTS]

---

It is hereby enacted and ordained by the Board of Supervisors that Township Code Chapter 127 [Sewers] is amended in furtherance of the Township's health, safety, and welfare as follows:

**SECTION 1.**      AMENDMENT TO CHAPTER 127 [SEWERS], SECTION 127-33 [BASIC RENTAL]

Chapter 127 [Sewers], Section 127-33 [Basic Rental] shall be amended to read as follows:

The annual sewer rental for each EDU shall be established by resolution of the Board of Supervisors. Said sewer rental as established shall be payable in quarterly installments for residential units in accordance with §127-36. Nonresidential users shall be charged quarterly in accordance with §127-35 For all residential users, whether their system is a private system or public, the rate shall be as set forth in said resolution.

**SECTION 2.**        AMENDMENT TO CHAPTER 127 [SEWERS], SECTION 127-35 [NONRESIDENTIAL USERS; PRIVATE SYSTEMS; INDUSTRIAL ESTABLISHMENTS] AND SUB-SECTION F

Chapter 127 [Sewers], Section 127-35 [Nonresidential Users; Private Systems; Industrial Establishments] shall be amended to read as follows:

The sewer rental for nonresidential uses shall be calculated as the greater of the basic sewer rental for one EDU or the product of multiplying the number of EDUs applicable to such use, calculated based upon the three-month volume of actual water consumption or measured volume of wastewater, by the basic sewer rental.

Chapter 127 [Sewers], Section 127-35 [Nonresidential Users; Private Systems; Industrial Establishments], Sub-Section F shall be amended to read as follows:

- F.** Installation and maintenance of meters. If the owner of any industrial establishment shall be required pursuant to the foregoing provisions to install a water meter or meters or a meter or meters for measuring wastewaters, it shall be the duty of such owner to furnish and install such meter at his own expense, and in such case and also if such owner shall have voluntarily installed such meter or meters, such owner shall be required to maintain the same in good operating condition and make all necessary repairs and replacements. If the owner, being obligated so to do, shall fail to furnish or install such meter or meters or shall fail to maintain the same as above provided, then in any such case after 10 days' written notice by the Township to perform such obligation, the Township may enter onto such property at all reasonable times and install such meter or meters or repair and maintain the same, as the case may be, and charge the cost of such installation or repair to such owner. Bills for such installation or repairs if made by the Township shall be due and payable immediately upon completion of the work and then shall be collected in the same manner as quarterly bills for sewer rentals and charges.

Note: Chapter 127 [Sewers], Section 127-35 [Nonresidential Users; Private Systems; Industrial Establishments] Sub-Sections A through E and G shall remain the same.

**SECTION 3.** AMENDMENT TO CHAPTER 127 [SEWERS], SECTION 127-36(A) [TIME AND METHOD OF PAYMENT; PENALTIES AND INTEREST]

Chapter 127 [Sewers], Section 127-36(A) [Time and Method of Payment; Penalties and Interest] shall be amended to read as follows:

- A.** Sewer rentals for residential units shall be billed quarterly on the first day of March, June, September, December, respectively, commencing on the first day of the quarterly billing period next succeeding the date upon which the Township certifies the connection of the property to the sewer system as complete, and shall be due and payable immediately. Apportionment of sewer rentals for properties connected for less than the quarterly billing period shall be in accordance with § **127-37** of the Towamencin Township Code. Sewer rentals for industrial establishments and nonresidential users shall be billed quarterly on such dates or as soon thereafter as necessary data to prepare such bills for the quarterly period next preceding such dates shall become available and shall be due and payable immediately.
- B.** If the full amount of such bills shall not be paid within 30 days from the date of billing, 10% of the face amount of the bill shall be added thereto, which together with the face amount of the bill shall become the gross amount thereof. In the event any bill shall remain unpaid as of December 31 of any year, the Township shall proceed to collect all sums due in accordance with law.

**SECTION 4.** AMENDMENT TO CHAPTER 127 [SEWERS], SECTION 127-37 [APPORTIONMENT OF RENTS]

Chapter 127 [Sewers], Section 127-37 [Apportionment of Rents] shall be amended to read as follows:

Whenever sewer service to any property begins after the first of a quarterly billing period, the sewer rentals for such property shall be for that portion of the quarterly billing period during which the property is served. However, in making such apportionment, a fraction of a month amounting to 1/2 or more of a month shall be counted as a full month, and a fraction of a month amounting to less than 1/2 of the month shall be disregarded.

**SECTION 5.        SEVERABILITY**

This Ordinance's provisions are intended to be severable. If any section, sentence, clause, part, or provision of this ordinance is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction, such determination shall not affect or impair this Ordinance's remaining sections, sentences, clauses, parts, or provisions.

Furthermore, it is hereby declared to be this Board's express intent that this ordinance still be adopted even if such an illegal, invalid, or unconstitutional section, sentence, clause, part, or provision had not been included.

**SECTION 6.        REPEALER**

All other ordinances and resolutions or parts thereof as they are inconsistent with this Ordinance are hereby repealed.

**SECTION 7.        EFFECTIVE DATE**

This Ordinance shall take effect five days from this Board's approval of it as required by Pennsylvania law.

\*\*\*


[Signatures on Next Page]

**ENACTED** and **ORDAINED** by this Board at its public meeting on this 12<sup>th</sup> day of June 2024.

**TOWAMENCIN TOWNSHIP  
BOARD OF SUPERVISORS**

  
\_\_\_\_\_  
H. Charles Wilson III, *Chairman*

Attest:

  
\_\_\_\_\_  
Joyce F. Snyder, *Secretary*

# **Attachment A-8**

**RESOLUTION 23 - 30**

**TOWAMENCIN TOWNSHIP**

**ESTABLISHMENT OF BASIC SEWER RENTAL**

**WHEREAS**, pursuant to the Pennsylvania Second Class Township Code, Section 2511, the Board of Supervisors of Towamencin Township is empowered to establish the charge for sewer rental; and

**WHEREAS**, the Board of Supervisors of Towamencin Township deems it to be in the best interest of the Township to hereby establish the rental charge.

**NOW, THEREFORE, LET IT BE RESOLVED** by the Board of Supervisors of Towamencin Township that the annual sewer rental charge for each EDU shall be in the amount of \$590.00 payable pursuant to Ordinance 98-02 of the Towamencin Township Code as amended.

**RESOLVED** this 13<sup>th</sup> day of December 2023.

**TOWAMENCIN TOWNSHIP  
BOARD OF SUPERVISORS**

**ATTEST:**



H. Charles Wilson, III, Chairman



Laura C. Smith, Secretary

## Chapter 127. Sewers

### Part 1. Regulations and Rates

#### Article V. Sewer Rentals and Charges

##### § 127-33. Basic rental.

[Amended 8-28-1991 by Ord. No. 87-12; 12-16-1992 by Ord. No. 92-6; 2-23-1994 by Ord. No. 94-2; 2-25-1998 by Ord. No. 98-2; 6-12-2024 by Ord. No. 24-04]

The annual sewer rental for each EDU shall be established by resolution of the Board of Supervisors. Said sewer rental as established shall be payable in quarterly installments for residential units in accordance with § **127-36**. Nonresidential users shall be charged quarterly in accordance with § **127-35**. For all residential users, whether their system is a private system or public, the rate shall be as set forth in said resolution.

# **Attachment A-11**

**FIRST AMENDMENT TO SEWER TREATMENT AGREEMENT DATED  
OCTOBER 27, 2015**

THIS FIRST AMENDMENT TO SEWER AGREEMENT is made this 4<sup>th</sup> day of October, 2022, by and among TOWAMENCIN TOWNSHIP (hereinafter the "Township"), TOWAMENCIN MUNICIPAL AUTHORITY (hereinafter the "Authority") and CLEMENS FOOD GROUP (hereinafter the "Company")

W I T N E S S E T H, that:

**WHEREAS**, the Township, Authority and Company entered into a Sewer Treatment Agreement on October 27, 2015, which permitted the Company to continue to utilize the Sewer System operated by the Township and the Wastewater Treatment Plant operated by the Authority;

**WHEREAS**, such Agreement (the "Agreement") which is attached hereto as Exhibit "A" was for a term of five (5) years with a further automatic extension of two (2) years unless any of the parties gave prior notice to terminate or renegotiate;

**WHEREAS**, no party gave such notice and, therefore, the Agreement will expire on October 26, 2022;

**WHEREAS**, it is the desire of the parties to extend the Agreement for an additional one (1) year term with an additional extension, if desired by the parties.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the parties agree as follows:

1. The Agreement shall continue until October 26, 2023, at which time the Agreement shall renew for an additional one (1) year unless any one of the parties shall give notice by no later than April 26, 2023, of such party's intention to terminate or renegotiate the Agreement.

2. The parties acknowledge and agree that as of the date of this First Amendment the Company has been and continues to exceed its allocated capacity and that the Company is taking steps to reduce its flows in order to comply with the terms of the Agreement. The Company acknowledges and agrees that neither the Township nor the Authority are waiving any rights that each may have to enforce the terms of the Sewer Treatment Agreement as a result of entering into this First Amendment.

3. In all other respects, the terms and conditions contained in the October 27, 2015, Agreement, shall remain in full force and effect.

4. This Amendment shall modify and is made part of the October 27, 2015, Agreement. All terms and provisions of the Agreement are superseded to the extent inconsistent

with the provisions of this Amendment. Except as amended by this Amendment, the October 27, 2015, Agreement shall remain unmodified and in full force and effect.

5. This Amendment, which shall be binding upon the parties hereto and their respective successors and assigns, shall be governed and construed according to the laws of the Commonwealth of Pennsylvania.

**IN WITNESS WHEREOF**, Township of Towamencin, the Towamencin Municipal Authority, and Clemens Food Group have caused this Agreement to be duly executed the day and year first above written.

TOWAMENCIN TOWNSHIP

Attest: \_\_\_\_\_

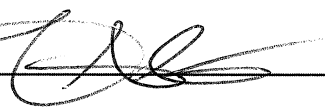
By: \_\_\_\_\_


TOWAMENCIN MUNICIPAL AUTHORITY

Attest: \_\_\_\_\_

By: \_\_\_\_\_

CLEMENS FOOD GROUP

Attest:  \_\_\_\_\_

By:  \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF MONTGOMERY :

On this day of , 2022 before me, a Notary Public in and for the above County and Commonwealth, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Towamencin Township, 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 Township by himself as such officer.

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

\_\_\_\_\_  
Notary Public

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF MONTGOMERY :

On this day of , 2022, before me, a Notary Public in and for the above County and Commonwealth, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of Towamencin Municipal Authority, 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 Authority by himself as such officer.

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

\_\_\_\_\_  
Notary Public

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF MONTGOMERY :

On this 4 day of October, 2022, before me, a Notary Public in and for the above County and Commonwealth, personally appeared Eric Patton, who acknowledged himself to be the Sr. Vice President of Clemens Food Group, 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.

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

Commonwealth of Pennsylvania - Notary Seal  
Bralene L. Rathgeber, Notary Public  
Montgomery County  
My commission expires October 19, 2023  
Commission number 1265174

Member, Pennsylvania Association of Notaries

Bralene L. Rathgeber  
Notary Public

**SEWER TREATMENT AGREEMENT**

THIS AGREEMENT made this 27 day of October, 2015, by and among TOWAMENCIN TOWNSHIP (hereinafter the "Township"), TOWAMENCIN MUNICIPAL AUTHORITY (hereinafter the "Authority") and CLEMENS FOOD GROUP (hereinafter the "Company").

**WITNESSETH, that:**

**WHEREAS**, the Authority has constructed and operates a wastewater treatment facility known as the Towamencin Municipal Authority (hereinafter "Wastewater Treatment Plant") and owns the collection and conveyance facilities tributary to the Wastewater Treatment Plant; and

**WHEREAS**, the Township operates, maintains and has full administrative and technical responsibility for the wastewater collection and conveyance system known as the Township Sewer System (hereinafter the "Sewer System") under a Lease and a Service Agreement dated June 30, 2015 with the Authority; and

**WHEREAS**, on the 22<sup>nd</sup> day of September 1988, the parties to this Agreement entered into an Agreement which permitted the Company to utilize the Sewer System operated by the Township and the Wastewater Treatment Plant operated by the Authority; and

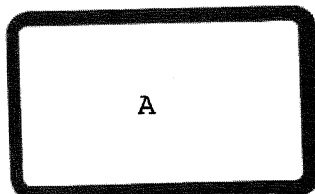
**WHEREAS**, the Township, the Authority, and the Company have determined it mutually desirous to enter into a new agreement that would continue to allow the Company to utilize the Sewer System operated by the Township and the Wastewater Treatment Plan operated by the Authority; and

**WHEREAS**, sewage transportation, treatment and disposal services are currently rendered by the Authority and the Township as applicable, to the company; and

**WHEREAS**, the Company recognizes and has determined that it is necessary and desirable to continue to utilize the Sewer System and the Wastewater Treatment Plant for conveyance and treatment, as applicable, of its wastewater; and

**WHEREAS**, an Agreement dated November 1, 2010 among the Township, Company and Authority provided for a capacity allocation of 567,200 gallons per day ("gpd") to be calculated from flow data for any given calendar month and for a peak flow discharge rate of 777,280 gpd for any stated five day period;

**WHEREAS**, the Company has requested an increase in its capacity to 680,800 gpd for any given calendar month, or 953,120 gpd peak flow discharge rate for any stated five day period;



**WHEREAS**, the Company agrees to purchase the aforementioned additional capacity at the cost per gallon per day then in place by the Township and Authority at the time of execution of this Agreement; and

**WHEREAS**, the discharge of wastewater into the Sewer System by the Company is subject to the Company's Pretreatment Obligation, as defined herein; and

**WHEREAS**, the Company has constructed certain facilities in order to comply with its Pretreatment Obligation, as defined herein (the "Pretreatment Facility").

## **DEFINITIONS**

### **ARTICLE 1**

**"Pretreatment Obligation"** as used herein, shall mean the duties imposed on, as the case may be, the Authority, the Township or the Company, to require or comply with regulations providing for treatment of wastewater prior to discharge in to the Sewer System, as those duties may be imposed by the Pretreatment Ordinance, Pretreatment Program, or any and all applicable Federal or State laws, statutes, rules, regulations, court orders or consent decrees.

**"Pretreatment Ordinance"** shall mean Chapter 127 Part 2 of the Towamencin Township Code as it may be amended or reenacted, from time to time, or any successor ordinance, resolution, or regulations adopted by the Township with respect to a Pretreatment Obligation.

**"Pretreatment Program"** shall mean the rules and regulations adopted by the Authority as its Industrial Waste Pretreatment Program as they may be amended or reenacted, from time to time, or any successor resolutions, rule or regulation adopted by the Authority with respect to discharges into the Sewer System imposing a Pretreatment Obligation.

**"Sewer User Ordinance"** shall mean Chapter 127, Part 1 of the Towamencin Township Code, as it may be amended or reenacted, from time to time, or any successor ordinance, resolution, or regulations adopted by the Township with respect to discharges into the Sewer System.

**"NPDES Permit"** shall mean the National Pollutant Discharge Elimination System permit, together with the standards of discharge quality imposed under such Permit, issued to the Authority with respect to the discharges from the Wastewater Treatment Plant, as may be issued from time to time, and any successor permit or license issued to the Authority by any Federal, state or local administrative agency, or body, having jurisdiction over the Authority or regulating discharges from the Wastewater Treatment Plant.

**"Uncontrollable Circumstance"** shall mean any or all of the following acts, events or conditions, to the extent that it would prevent the operation of the Wastewater Treatment Plant or Sewer System:

- (i) an Act of God, fire, flood earthquake, explosion, sabotage, lightning or similar circumstance, riot, war insurrection, strike or labor dispute; or
- (ii) the entry of a valid and enforceable injunctive or restraining order to judgment of any Federal or state court, administrative agency, or body, having jurisdiction over the Authority or Township.

## **AUTHORITY OBLIGATIONS**

### ARTICLE 2

**Section 2.01.** The Authority agrees to receive, through the Sewer System, wastewater from the Company, meeting the requirements of the Pretreatment Ordinance and subject to the provision hereof, for treatment of the Wastewater Treatment Plant.

**Section 2.02.** Pursuant to the Interjurisdictional Agreement, the Authority is monitoring compliance by the Company under the Pretreatment Ordinance. In addition to the remedies provided by said Ordinance, the Authority reserves and retains the right to limit the volume and/or strength of the wastewater discharge by the Company to achieve standards of discharge by the Authority in conformity with its NPDES Permit, together with all applicable Federal or state laws, statutes, rules, regulations, court orders or consent decrees.

**Section 2.03.** The Authority agrees to permit the Township or the Company to enter the facilities of the Authority, at reasonable times, for the purpose of inspecting the treatment of wastewater or reviewing records and other documents pertaining to the treatment of the Company's wastewater.

**Section 2.04.** The Authority agrees that it will not discontinue operation of its Wastewater Treatment Plant and other facilities during the term of this Agreement except as a result of an Uncontrollable Circumstance, provided, however, that this Section shall not be deemed to preclude the Authority from delegating, assigning, or relinquishing its operation of the Wastewater Treatment Plant to the Township or a successor operator of the Wastewater Treatment Plant.

## **TOWNSHIP OBLIGATIONS**

### ARTICLE 3

**Section 3.01.** The Township agrees to receive and transport, through its Sewer System, wastewater from the Company meeting the Company's Pretreatment Obligation and subject to the provisions hereof, for treatment at the Wastewater Treatment Plant.

**Section 3.02.** The Township hereby grants and delegates to the Authority the power and authority to monitor compliance by the Company under its Pretreatment Obligation and to limit

the volume and/or strength of wastewater received from the Company in conformity with the Company's Pretreatment Obligation and the provisions hereof. The Township agrees to furnish any information within its control required by the Authority concerning compliance by the Company with its Pretreatment Obligation and to help aid and assist the Authority in obtaining information or data from other sources. The Township retains the right to exercise any legal remedy to limit excessive flows of wastewater from the Company or to contain or correct any hazardous or unhealthful conditions.

Section 3.03. The Township agrees to impose charges upon the Company for receiving and treatment of wastewater in accordance with the formula attached hereto as Schedule "A".

Section 3.04. The Township agrees to make available, upon reasonable notice by the Authority and/or the Company, any record, sample or document concerning the receipt of wastewater or the Sewer System and to make the Sewer System available for inspection by the Authority and/or the Company.

Section 3.05. The Township agrees that it will not discontinue its operation of the Sewer System except as a result of an Uncontrollable Circumstance; provided, however, that this Section shall not be deemed to preclude the Township from delegating, assigning, or relinquishing its operation of the Sewer System to the Authority or a successor operator of the Sewer System.

## COMPANY OBLIGATIONS

### ARTICLE 4

Section 4.01. The Company agrees that all ultimate discharge of its wastewater will be into the Sewer System for treatment at the Wastewater Treatment Plant. The Company agrees that during the term of this Agreement, the quantity of wastewater discharged by the Company shall be in compliance with the provisions hereof and that it will not disconnect from the Sewer System or limit the volume of its wastewater by means of other discharges or disposal of the wastewater, except for recycling of wastewater within the Company's plant without the prior consent of the Township and the Authority.

Section 4.02. The Company agrees to be subject to the provisions of the Towamencin Sewer Use Ordinance, except with respect to such matters as are expressly provided for in this Agreement. In the event of conflict between the Towamencin Sewer Use Ordinance and this Agreement, whichever is more stringent shall be given effect. The Company agrees that its wastewater is subject to pretreatment prior to discharge into the Sewer System. The Company agrees that it will design, construct, reconstruct and maintain its Pretreatment Facility in accordance with the Pretreatment Ordinance and that, prior to discharge, it will obtain a discharge permit from the Township (the "Discharge Permit"). The Discharge Permit shall set forth various conditions governing the strength and volume of wastewater to be discharged. The Company further agrees to apply for renewals of its Discharge Permit from time to time as required by the terms of the Pretreatment Ordinance and to pay all reasonable fees associated with the implementation and requirements of this Pretreatment Obligation.

**Section 4.03.** The Company agrees to operate, maintain, and upgrade, if necessary, its Pretreatment Facility so that the wastewater discharged by the Company shall conform to the requirements of the Company's Pretreatment Obligation and be in conformity with the Discharge Permit. The Company further agrees that it will employ and provide a sufficient number of properly trained persons to operate its Pretreatment Facility so as to comply with its Pretreatment Obligation.

**Section 4.04.** The Company agrees that it will retain records, conduct tests, take samples and provide for other monitoring of its compliance with its Pretreatment Obligation and the Discharge Permit. The Company agrees to furnish to the Township or the Authority such records and information concerning the compliance with its Pretreatment Obligation as required by the Township or the Authority, and the Company further agrees to permit the Township or the Authority to enter the Company's property at reasonable hours, but without prior notice, for the purpose of making inspections, taking samples, and reviewing records and other documents concerning the wastewater discharged by the Company and the Company's operation of its Pretreatment Facility.

**Section 4.05.** The Company agrees to pay the charges imposed by the Township for the reception and treatment of wastewater in accordance with the formula set forth in the attached Schedule "A". The Company agrees to pay interest at the rate of one and one-half percent (1.5%) per month on any charge unpaid for a period of thirty (30) days after the date of receipt of the bill, together with applicable laboratory reports and other backup data, with said interest to be calculated from the date of receipt of said billing.

## **CAPACITY ALLOCATION & FLOW QUANTITIES**

### **ARTICLE 5**

**Section 5.01.** The Company is hereby acknowledged to have a capacity allocation of 680,800 gallons per day ("gpd"). The Company agrees that the average daily flow, calculated from flow data for any given calendar month, shall not exceed 680,800 gpd for the period of this Agreement or any subsequent renewal of the Agreement without first obtaining the permission of the Township and the Authority and paying the capital contribution and connections fees in effect at the time of the request.

**Section 5.02.** The Company acknowledges that its peak rate of flow discharge, or peak flow discharge rate, has impact on the available conveyance capacity of the Sewer system and the operations of the Wastewater Treatment Plant. Because of this impact, the Company agrees to limit its peak flow discharge rate to one hundred forty percent (140%) of its allowable average daily flow rate, or 953,120 gpd for any stated five day period. Failure of the Company to limit its peak flow discharge rate to this level shall require the Company to pay for any reasonable itemized costs associated with cleanup of overflows, treatment plant upsets or operational problems, or regulator agency fines resulting from the Company's increase over its peak flow discharge rate and the Company shall be consulted during the pre-clean up and clean-up phases and permitted to participate in the mitigation of the damage.

**GENERAL PROVISIONS**

**ARTICLE 6**

**Section 6.01.** The parties hereto agree that this Agreement shall continue for a period of five (5) years from the date of this Agreement, at the conclusion of which term, the Agreement shall be renewed for an additional period of two (2) years unless any one of the parties shall give notice one (1) year prior to the anniversary date of this Agreement of such party's intention to terminate or renegotiate this Agreement.

**Section 6.02.** This Agreement shall be binding upon and for the benefit of the successors and assigns of the parties hereto.


**Section 6.03.** In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision hereof and the remaining provisions shall be construed and enforced as if such invalid provision had not been contained herein. This Agreement shall be construed under the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this Agreement by their duly authorized officers and affixed their seals hereto, all as of the day and year first above written.


ATTEST:

  
James P. Sinz, Secretary  
[SEAL]


Towamencin Township

  
H. Charles Wilson, III, Chairman  
Towamencin Township

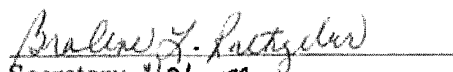
ATTEST:

  
Elizabeth Smith, Secretary  
[SEAL]

Towamencin Municipal Authority

  
Jeffrey A. Schoppe, Chairman  
Towamencin Municipal Authority

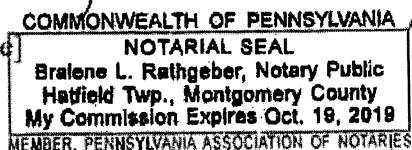
ATTEST:

  
Secretary Notary

Clemens Food Group



[Print Name]  
[SEAL]



[Print Name and title] Josh Remells Sr. VP Supply Chain  
Clemens Food Group

## SCHEDULE "A"

### CHARGES FOR TREATMENT OF CLEMENS FOOD GROUP WASTEWATER FLOWS

Charges for the treatment of Clemens Food Group Wastewater Flows shall consist of the following:

1. Usage charge on a gallonage basis.
2. Strength surcharge.
3. Clean Water Discount.

Usage charge, strength surcharge, and clean water discount shall be invoiced on a quarterly basis.

#### USAGE CHARGE

Usage charges shall be approximately equal to the annual sewer rental fees charged by Towamencin Township to similar commercial/industrial customers, currently equal to the residential customer charges. The current formula for sewer usage charge is as follows:

$$2015 \text{ Usage Charge per gallon} = \$0.00511/\text{gallon of metered discharge}$$

Towamencin Township shall have the right on an annual basis to revise this Usage Charge to be consistent with the other industrial and residential rates set within the Township.

$$\text{Cost/gal} \times \text{number gal/quarter} = \text{quarterly usage charge}$$

#### STRENGTH SURCHARGE

Monthly average five-day biological oxygen demand (BOD) content of the discharged wastewater shall be limited to 250 milligrams per liter (mg/l) and monthly average suspended solid (SS) content shall be limited to 300 mg/l. These parameters will be measured at the source of discharge. Surcharges for exceeding these levels will equal the applicable volume charges for each 100 mg/l (or .001 per 1 mg/l) by which the stated concentrations are exceeded as established in Ordinance No. 84-6 of Towamencin Township ("Pretreatment Ordinance"), presently 4% or as established in such future revisions of said Pretreatment Ordinance. The current formulas are as follows:

$$\text{Monthly BOD Surcharge: cost/gal} \times \# \text{ gal/month} \times (\text{Avg BOD} - 250 \text{ mg/l}) \times .0004$$

$$\text{Monthly SS Surcharge: cost/gal} \times \# \text{ gal/month} \times (\text{Avg SS} - 300 \text{ mg/l}) \times .0004$$

Monthly strength surcharge costs will be added together and billed on a quarterly basis with the usage charge.

#### CLEAN WATER DISCOUNT

A Clean Water Discount may be available to a nonresidential customer discharging a minimum monthly average daily flow of 300,000 gallons per day. To qualify for the discount, the water quality of the customer's discharge must meet minimum standards as determined by the Township. During any billing period, the discount shall not exceed 40% of the bill. The Clean Water Discount shall be calculated in accordance with the following equation:

**SCHEDULE "A" Continued**

$$\text{Clean Water Discount} = \text{Cost}_c \times T \times Q_n \times 8.34 \times \text{FCA} (\leq 0.4 \times \text{Billing})$$

Cost Per Pound	Fixed Cost Adjustment
0.25	1.7120
0.26-0.30	1.5285
0.31-0.35	1.2970
0.36-0.40	1.1263
0.41-0.45	0.9953
0.46-0.50	0.8916
0.51-0.55	0.8076
0.56-0.60	0.7380
0.61-0.65	0.6793
0.66-0.70	0.6294
0.71-0.75	0.5863
0.76-0.80	0.5487
0.81-0.85	0.5156
0.86-0.90	0.4864
0.91-1.00	0.4505
1.01-1.10	0.4076
1.11-1.20	0.3722
1.21-1.30	0.3424
1.31-1.40	0.3170

TABLE

Where:

$\text{Cost}_c$  = The cost per pound of pollutant computed in accordance with Strength Surcharge, paragraph 2

T = Sum of the difference between the waste strength limits for each of the parameters set forth above and the average concentration of each of the parameters in the customer's discharge stream during the billing period in mg/l

$Q_n$  = The average daily flow of the customer's discharge during the billing period.

FCA = Fixed Cost Adjustment, the fixed cost of treating wastewater that is independent of water quality. FCA may be calculated using the following formula:  $\text{FCA} = A \times (\text{B} \times \text{Cost}_c)$   
 Where: A= 0.427706  
 B= 0.99220

or using TABLE

Adjusted Billing = Billing - Clean Water Discount

# **Attachment A-12**



**TOWAMENCIN TOWNSHIP  
MONTGOMERY COUNTY, PENNSYLVANIA**

**2026 Municipal Wasteload Management Report  
(Chapter 94 Report for Calendar Year 2025)**

**Prepared For:**

**Towamencin Township  
1090 Troxel Road  
Lansdale, PA 19446**

Permittee: \_\_\_\_\_

David Kravnik, Township Manager  
Towamencin Township

Preparer: \_\_\_\_\_

Thomas J. Figaniak, P.E.  
Gilmore & Associates, Inc.

**March 2026**

**File No. 25-00023**

**Prepared By:**

**Gilmore & Associates, Inc.  
Engineers ♦ Land Surveyors ♦ Planners ♦ GIS Consultants  
65 E. Butler Avenue, Suite 100  
New Britain, PA 18901  
215-345-4330**

**TABLE OF CONTENTS**

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Towamencin Municipal Authority Tributary Sewer System Questionnaire

**Tables**

- 1 Towamencin Township Proposed Development
- 2A Towamencin Township – Manhole Repairs
- 2B Towamencin Township – Sanitary Sewer Repairs
- A Towamencin Township Sanitary Collection / Conveyance System Activity Matrix
- B Lower Salford Township Authority Flows to Towamencin Township System Information

**Appendices**

- A. Towamencin Township I&I Report for Calendar Year 2025 dated March 3, 2026
- B. Figure A – Towamencin Township I & I Investigation and Repairs (Includes Meter Locations)

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Municipality Name: Towamencin Township Date: March 2026

**A. SEWER SYSTEM DETAILS**

**1. Connected Population:**

Actual Year End	Projected 2026	2027	2028	2029	2030
18,469	18,470	18,613	18,753	18,808	18,829

**2. Total length of gravity sewer main pipe in collection system:**        feet (actual or estimated)

**3. Range of pipe sizes:**

a. Collection Sewers: Construction Materials: Asbestos Cement, PVC, DIP, VCP, RCP

Smallest: 8 inches (actual or estimated) Largest: 12 inches (actual or estimated)

b. Trunk Sewers: Construction Materials: Asbestos Cement, PVC, DIP, VCP, RCP

Smallest: 15 inches (actual or estimated) Largest: 21 inches (actual or estimated)

**4. Total number of manholes:**            (actual or estimated) Construction Materials:           

**5. Major Trunk Sewers: (Greater than 10" diameter)** Construction Materials:           

NAME	PIPE SIZE(S) (Min. to Max. Dia.)	LENGTH (Feet)	POPULATION Served (EDU)	DESIGN CAPACITY (At Limiting Section-gpm)	ANNUAL AVG. FLOW (12 Month ADF-gpd)	PEAK HOURLY FLOW (Hourly Flow Rate-gpm)	METERED
							Report
Towamencin Creek	12" to 21"	Upper: 5,570' Lower: 5,000'	3,088	3,300			METERED
Skippack Creek	12" to 21"	5,870'	4,320	4,400			
Bustard Road	12" to 21"	3,570'	478	1,800			

This data is analyzed by TMA as part of their Report

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

**Municipality Name:** Towamencin Township      **Date:** March 2026

**6. Trunk, Branch, or Collector Sewers – Flow Metering:**

As a supplement to this questionnaire form please provide a discussion regarding the following:

Existing sanitary sewer flow rates shall be documented with actual metering of sewers. A discussion and mapping of the historical, existing, and proposed future placement of flow metering equipment to accurately record and document 15-minute interval readings of sanitary sewer velocity, level, flow rates, and rainfall quantities shall be provided. Average daily total flows, maximum peak daily total flows, hourly flow rates one day prior to, during, and one day subsequent to a rainfall greater than 1" per continuous 24-hour period or less are required if an SSO occurred. The peaking factor comparing the peak flow recorded during the highest continuous 24-hour period to the annual average daily flow shall be provided in a tabular form for all metered sites. If surcharging was recorded, 15-minute rainfall versus sanitary flow rates shall be determined. Please provide a discussion that applies the rainfall to flow rate comparison to possible future I&I investigations.

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Portable area velocity flow meters have been installed throughout the Township since 2012. See Figure A for current flow meter locations.

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All installed meters in the KRI are owned and maintained by TMA and are part of their report.

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Towamencin Township Meter data can be provided upon request

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**7. Collection System Capacity Problems:**

If existing or proposed flows exceed a sewer section capacity at any time for a period of a half hour (flow depths greater than the pipe diameter constitute a surcharge overload condition), discuss the municipality's on-going and proposed efforts to reduce the I&I flows contributing to the overload condition at each location. Provide documentation of investigative and corrective repair and/or rehabilitation efforts completed. Estimate the schedule of proposed efforts to eliminate the potential overload. Provide copies of all Sanitary Sewer Overflow (SSO) and Sanitary Sewer Discharge (SSD) reports during the year. Use additional sheets as necessary.

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No known existing or proposed flow capacity issues. Towamencin Township has installed flow meters and continues I/I reduction efforts.

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**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

**Municipality Name:** Towamencin Township **Date:** March 2026

**B. PUMPING STATIONS**

**1. Description: (Include all municipal and private stations discharging to the Authority)**

<u>Name/Number</u>	<u>Location</u>	<u>Capacity Existing</u>	<u>(mgd) Ultimate</u>	<u>Metered* (Yes/No)</u>	<u>Force Length (feet)</u>	<u>Main Diameter (inches)</u>	<u>Estimated Service Area Total EDU</u>
Rittenhouse Road	Rittenhouse @ Old Forty Foot Rd	8.5 mgd	8.5 mgd	Yes	7,940'	Dual 16"	4,447
Hollis Hills	Bustard Rd / Fisher Rd Hollis Homes	120 gpm	120 gpm	No	5,740'	4"	30
Milestone	Morris Valley Homes on Sched Way	120 gpm	120 gpm	Yes	1,680'	8"	80
Fisher's Park	Grinder Pump @ park	80 gpm	80 gpm	No	377'	4" to Hollis Hills force main	1
Christopher Dock	On high school lot	Private	Private	No	1,653'	Private	10
Gehman Center*	Gehman Rd	Private	Private	No	251'	Private	2
Walnut Meadow Mobile Homes*	Wood Hollow Dr	Private	Private	No	907'	Private	240

**2. Pumping Station Flows:**

<u>NAME</u>	<u>Projected Annual Monthly Average &amp; Peak Daily Flows (mgd)</u>					
	<u>Recorded Present 2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
	<u>Avg.</u>	<u>Peak</u>	<u>Avg.</u>	<u>Peak</u>	<u>Avg.</u>	<u>Peak</u>
<u>Station: Rittenhouse Road</u>	This data is analyzed by TMA as part of their Report					
<u>Station: Hollis Hills</u>	By TMA	N/A				
<u>Station: Milestone</u>	By TMA	N/A				
<u>Station: Fisher's Park</u>	N/A					
<u>Station: Christopher Dock</u>	N/A					
<u>Station: Gehman Center*</u>	N/A					
<u>Walnut Meadow Mobile Homes*</u>	N/A					

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

**Municipality Name:** Towamencin Township      **Date:** March 2026

**3. Pumping Stations – Flow Metering:**

As a supplement to this questionnaire form please provide a discussion for the following:

Existing sanitary sewer flow rates shall be documented with actual metering of influent flows into all pump stations. A discussion and copies of station plans of the actual and proposed placement of flow metering equipment to accurately record and document 15-minute readings of sanitary sewer influent flow rates, pumping rates, and rainfall quantities shall be provided. Average daily total flows, maximum peak daily total flows, hourly flow rates one day prior to, during, and one day subsequent to a rainfall greater than 1" per 24 hours or less shall be provided. The peaking factor comparing the peak flow recorded during the highest continuous 24-hour period to the annual average daily flow shall be provided in a tabular form for all pumping stations. If surcharging was recorded or if all pumps were in simultaneous operation for more than a half hour, a comparison of rainfall versus sanitary flow rates shall be determined. Please provide a discussion that applies the rainfall to flow rate comparison to possible future I&I investigations.

This data is analyzed by TMA as part of their Report

**4. Pumping Stations Capacity:**

If the existing metered and/or projected peak flow rates exceed the pumping station design capacity (gallons per minute without the largest pump) at any time for a period of a half hour, explain ongoing and proposed efforts to reduce the overload for each station. Provide documentation of investigative and corrective repair and/or rehabilitation efforts completed. Estimate the schedule of proposed efforts to reduce the overload. Provide copies of all Sanitary Sewer Overflow (SSO) and Sanitary Sewer Discharge (SSD) reports during the year. Use additional sheets as necessary to document existing recorded flows and provide a detailed discussion.

In 2025, no wet weather SSO's occurred. The Township does not currently provide oversight for privately owned pumping stations.

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No known dry weather SSO's occurred in gravity sewers.

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**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Municipality Name: Towamencin Township Date: March 2026

**C. INDUSTRIAL FLOWS**

<u>Industry Name</u>	<u>SIC Code</u>	<u>Location</u>	<u>Waste Strength (mg/L BOD<sub>5</sub>)</u>

Industrial Pretreatment Program administered by TMA.

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**D. PROGRAM FOR SANITARY SEWER MONITORING, OPERATION AND MAINTENANCE AND REPAIRS**

**1. The program shall discuss the following activities:**

- a. Monitoring
- b. Maintenance
- c. Repair
- d. Rehabilitation
- e. Routine & Special Activities
- f. Personnel & Equipment Used
- g. Sampling Frequency
- h. Quality Assurance
- i. Data Analyses
- j. Infiltration / Inflow (I&I) monitoring-Explain municipality's application of flow metering data provided by TMA in your I&I program

**2. Annual events & activities:**

- a. Provide copies of SSO & SSD reports submitted to PADEP during the past year. Provide discussion on cause(s) of SSO/SSD and surcharges in the drainage area tributary to the manhole, the capacity of the sewers & pump station(s) downstream of the manhole and peak flow rates. Provide a comparison of dry weather average peak flows to average daily flows and wet weather peak flow rates and a hydraulic analysis of the problem sewers.
- b. Provide a discussion of repairs made to reduce the I&I causing the SSO/SSD and planned activities for 2026.
- c. Provide information for the total anticipated flow rates based on existing connections to the problem sewers and any proposed new connections and the anticipated dry and wet average and peak flow rates compared to sewer and pump station(s) capacity.
- d. Provide annual calibration reports for flow metering systems in sewers and pump stations.

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Municipality Name: Towamencin Township Date: March 2026

**E. SANITARY SEWER EXTENSIONS (2025 ONLY)\***

<u>Name/Area Served/Interceptor</u>	<u>Sewer Size</u>	<u>Extension Length</u>	<u>DEP Permit No.</u>	<u>Housing Units Served (Actual/Estimated)</u> <u>2025</u> <u>2026</u> <u>2027</u> <u>2028</u> <u>2029</u> <u>2030</u>

\*Please attach plans of sanitary sewer system detailing additions made in 2025.

**F. PROPOSED HOUSING DEVELOPMENTS**

Proposed Housing Units to be Connected. These should match the projections on the Connection Management Plan (CMP) as applicable.

<u>Name/Area Served Segregate &amp; Total by each Interceptor Drainage Area</u>	<u>DEP Permits Obtained (Yes/ No)</u>	<u>DEP Permit</u> <u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>

TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE

Municipality Name: Towamencin Township Date: March 2026

G. CERTIFICATION

Signed:  (SEAL)

Title: David Kraynik, Township Manager

Address: Towamencin Township  
1090 Troxel Road  
Lansdale, PA 19446

Phone No.: (215) 368-7602

TABLE 1  
Towamencin Township  
March 2025  
Proposed Development



**GILMORE & ASSOCIATES, INC.**  
ENGINEERING & CONSULTING SERVICES

Name	Total Project EDU's	Prior Connections	2025	Remaining EDU's	PROPOSED CONNECTION (EDU)				
					2026	2027	2028	2029	2030
<b>KRIEBEL ROAD INTERCEPTOR</b>									
Wagon Wheel Lane	5	2		3	1	1	1		
Miscellaneous (incl. OLDS)	2			2				1	1
<b>Subtotal</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>TOWAMENCIN CREEK INTERCEPTOR</b>									
Cheswold	18	17		1				1	
Clemtree (Phase II)	57	17		40				20	20
Tow Corp Center (Corner/Pond)	24	11		13			13		
Kulp - Lot 51 Welsh Rd - Hatfield	1			1		1			
WAWA (40Ft Rd/Sumneytown)	14			14		14			
Tow. Town Square (2C)	10			10		10			
1445 & 1465 Reiff Road (Beebe)	29			29		15	14		
Belfair Square	16			16		8	8		
Walton Farm Tract (Grayson)	38			38		19	10	9	
Jacobs Woods Garden Apartments	48			48			24	24	
695 Keeler Road	4			4		4			
Freddy Hill Farm	141			141			70	71	
Miscellaneous (incl. OLDS)	5			5	1	1	1	1	1
<b>Subtotal</b>	<b>405</b>	<b>45</b>	<b>0</b>	<b>360</b>	<b>1</b>	<b>72</b>	<b>140</b>	<b>126</b>	<b>21</b>
<b>SKIPPACK CREEK INTERCEPTOR</b>									
<b>Towamencin Township</b>									
GennVest Towamencin Village	65	58		7		7			
CFC Towamencin Properties	36	9		27		10	10	7	
Green Tweed Addition - Phase I	4			4		4			
Accupac - Additional flow	88			88	44	44			
Lansdale Commerce Center (2130 Allentown)	10		7	3			3		
Delp Drive	9			9		9			
1560 Old Forty Foot Road	406			406				203	203
<b>Hatfield Township</b>									
Derstine Rd Hatfield Residents	10	3		7		7			
Derstine Run Phase III - TMA	121			121		60	61		
Hatfield Quality Meats (Additional Flows)	1250			1250		400	450	400	
<b>Lower Salford Township</b>									
Creekside at Mainland	51	34	3	3					
<b>Subtotal</b>	<b>2050</b>	<b>104</b>	<b>10</b>	<b>1925</b>	<b>44</b>	<b>541</b>	<b>524</b>	<b>610</b>	<b>203</b>
<b>BUSTARD ROAD INTERCEPTOR</b>									
<b>Worcester Township</b>									
Trier (Hollis Road)	1			1				1	
1807 Old Forty Foot Road	1			1	1				
<b>Towamencin Township</b>									
1955 Bustard Road	1	1							
<b>Subtotal</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>

**TABLE 2A  
TOWAMENCIN TOWNSHIP  
2025 MANHOLE REPAIRS**

MH Number	Interceptor Basin	Repair Date	Repair Type	Gallon Grout Used
No Manhole Repairs Were Completed in 2025				

**TABLE 2B  
TOWAMENCIN TOWNSHIP  
2025 SEWER REPAIRS**

Upstream MH	Downstream MH	Interceptor Basin	Repair Date	Repair Type	Number of CIPP	Number of Joints Sealed	Gallons Grout Used for Main	Lateral Wyes Sealed	Gallons Grout Used For Laterals
512A.1	512A	SCI	3/20/2025	Pipe patch	2				
166	165	TCI	7/9/2025	Pipe patch	2				
165A.10	165A.9	TCI	7/10/2025	Pipe patch	4				
123.6.6	123.6.5	TCI	7/15/2025	Pipe patch	4				
123.11	123.10	TCI	7/16/2025	Pipe patch	2				
123.13	123.12	TCI	7/16/2025	Pipe patch	2				
123.6.5	123.6.4	TCI	7/17/2025	Pipe patch	2				
123.6.2	123.6.1	TCI	7/23/2025	Pipe patch	4				
123.6.3	123.6.2	TCI	7/23/2025	Pipe patch	1				
123.4.1	123.4	TCI	7/24/2025	Pipe patch	2				
123.6.1	123.6	TCI	7/24/2025	Pipe patch	1				
					<b>26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Of the total footage televised, footage of sewer lines also heavily cleaned

Total footage of sewer lines televised

44,739  
14,875

**TABLE A**

**TOWAMENCIN TOWNSHIP SANITARY COLLECTION/CONVEYANCE SYSTEM ACTIVITY MATRIX - 2025**

	<b>MONITORING</b>	<b>MAINTENANCE</b>	<b>REPAIRS</b>	<b>REHABILITATION</b>	<b>ROUTINE WORK</b>	<b>SPECIAL WORK</b>
General activities associated with topics. These are examples to assist with grouping similar activities.	Televising inspection; flow metering. Open manholes to inspect and observe flows, property inspections, pump station metering & alarms.	Preventative activities to insure continued normal operation of flows through sewers. There are no sanitary sewer collection system structures that require repeated or routine maintenance activities to insure proper system operation. Personnel conduct periodic visual inspections after heavy storm events to quickly resolve problems.	Activities to restore normal operation to equipment or to remove clogs, roots, replace damaged pipes, etc...	Planned improvements to sewers, manholes, pump stations to return full functionality of design.	Flushing of sewers, cleaning of station wet wells. Generally the contracted work beyond the capabilities of the municipality.	The addition of new items to a collection system, manholes, or stations.
<b>DATE STARTED</b>	Manhole inspections ongoing from 2010. Open Channel Flow Metering-May 2011. Private property inspections-2012	Work is ongoing	Four year contract, TOW21-01, for IRI inspection and repairs began in January 2021. See Figure A for locations of televising and repairs. Contract will be rebid after expiration.	All sanitary sewers are designed and constructed for the ultimate build out capacities. There are no planned improvements to any sewers at this time.	Towamencin Township contracts the operation, maintenance and repairs to the TMA for all municipal pump stations.	An upgrade of the Towamencin Creek Interceptor between the WWTTP and MH 103 is completed. An upgrade of the Kriebel Road Interceptor between MH 3 and MH 30 is completed.
<b>DATE COMPLETED</b>	Work is ongoing	Work is ongoing	Work is ongoing for Contract TOW21-01.		Response to emergency situations conducted on a daily basis as required.	A replacement of sections of the SCI (500 to 503.1B) is completed.
<b>LOCATION</b>	See Figure A for locations of flow meters	Throughout entire system	Throughout entire system		There are no sanitary sewer collection system structures that require repeated or routine maintenance activities to insure proper system operation.	
<b>QTY. PERSONNEL</b>	2 Township employees experienced with sewers and construction methods	2 Township employees experienced with sewers and construction methods	Various personnel with inspection & repair qualifications employed by Sewer Specialty Service Co., Inc.			
<b>WORK ACTIVITIES</b>	Sewer line was walked and each manhole visually inspected for exterior and interior concrete & metal casting damage	Township personnel complete manhole casting replacement/ concrete marring on manholes as needed	Sewer main laterals & building sewer internal televising with cameras, pipe joint testing and chemical grout sealing, manhole leak and lateral wire crack chemical grouting. High pressure hydraulic sewer flushing.			
<b>EQUIPMENT USED</b>	Manhole covers were removed with lifting picks and flashlights used to inspect the interior walls and bench	Manhole casting were removed, loose concrete mortar was replaced and the casting re-set on the concrete manhole.	Closed circuit televising and remote, inflatable sewer chemical grouting equipment. Manhole leak grout injection. Camera for sewer vent televising.			
<b>FREQUENCY</b>	Inspections are routinely conducted.	Inspections and repairs are routinely conducted every Spring	Sewer internal televising inspections and opening manholes for visual observations conducted during and subsequent to rain fall events. Repairs conducted during lower flow conditions. See Tables 2A & 2B for repairs completed during 2023.			
<b>QUALITY</b>	Manholes with broken or cracked concrete & mortar are scheduled for follow-up repairs. Manholes with interior leaks are scheduled for contractor chemical grout sealing. Property owners notified of deficiencies needing repair.	Not Applicable	Holes in sewer mains repaired utilizing cured in place pipe liner.			
<b>DATA ANALYSIS</b>	Flow metering analysis ongoing		Repairs are televised before and after the repair work to insure leak has been sealed. Open manhole inspections used to back-track higher flowing sewers to isolate problem areas for back-siphonage.			

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Municipality Name: Lower Salford Township Authority Date: 02/12/26

**A. SEWER SYSTEM DETAILS**

**1. Connected Population:**

Actual				
Year End	Projected			
<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
				<u>2030</u>

**2. Total length of gravity sewer main pipe in collection system:** 955 feet (actual or estimated)

**3. Range of pipe sizes:**

- a. Collection Sewers: Construction Materials: ACP  
Smallest: 8 inches (actual or estimated) Largest: 10 inches (actual or estimated)
- b. Trunk Sewers: Construction Materials: \_\_\_\_\_  
Smallest: \_\_\_\_\_ inches (actual or estimated) Largest: \_\_\_\_\_ inches (actual or estimated)

**4. Total number of manholes:** 7 (actual or estimated) Construction Materials: Concrete

**5. Major Trunk Sewers: (Greater than 10" diameter)** Construction Materials: \_\_\_\_\_

NAME	PIPE SIZE(S)	LENGTH	POPULATION Served (EDU)	DESIGN CAPACITY	ANNUAL AVG. FLOW	PEAK HOURLY FLOW
	(Min. to Max. Dia.)	(Feet)	(At Limiting Section-gpm)	(12 Month ADF-gpd)	(Hourly Flow Rate-gpm)	(Hourly Flow Rate-gpm)

n/a

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**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Lower Salford Township Authority

**Municipality Name:** \_\_\_\_\_ **Date:** 02/12/26

**6. Trunk, Branch, or Collector Sewers – Flow Metering:**

As a supplement to this questionnaire form please provide a discussion regarding the following:

Existing sanitary sewer flow rates shall be documented with actual metering of sewers. A discussion and mapping of the historical, existing, and proposed future placement of flow metering equipment to accurately record and document 15-minute interval readings of sanitary sewer velocity, level, flow rates, and rainfall quantities shall be provided. Average daily total flows, maximum peak daily total flows, hourly flow rates one day prior to, during, and one day subsequent to a rainfall greater than 1" per continuous 24-hour period or less are required if an SSO occurred. The peaking factor comparing the peak flow recorded during the highest continuous 24-hour period to the annual average daily flow shall be provided in a tabular form for all metered sites. If surcharging was recorded, 15-minute rainfall versus sanitary flow rates shall be determined. Please provide a discussion that applies the rainfall to flow rate comparison to possible future I&I investigations.

n/a

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**7. Collection System Capacity Problems:**

If existing or proposed flows exceed a sewer section capacity at any time for a period of a half hour (flow depths greater than the pipe diameter constitute a surcharge overload condition), discuss the municipality's on-going and proposed efforts to reduce the I&I flows contributing to the overload condition at each location. Provide documentation of investigative and corrective repair and/or rehabilitation efforts completed. Estimate the schedule of proposed efforts to eliminate the potential overload. Provide copies of all Sanitary Sewer Overflow (SSO) and Sanitary Sewer Discharge (SSD) reports during the year. Use additional sheets as necessary.

n/a

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**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

**Municipality Name:** Lower Salford Township Authority      **Date:** 02/12/26

**B. PUMPING STATIONS**

**1. Description: (Include all municipal and private stations discharging to the Authority)**

<u>Name/Number</u>	<u>Location</u>	<u>Capacity Existing</u>	<u>(mgd) Ultimate</u>	<u>Metered* (Yes/No)</u>	<u>Force Length (feet)</u>	<u>Main Diameter (inches)</u>	<u>Estimated Service Area Total EDU</u>
n/a							

**2. Pumping Station Flows:**

<u>NAME</u> <sup>n/a</sup>	<u>Recorded Present</u>		<u>Projected Annual Monthly Average &amp; Peak Daily Flows (mgd)</u>									
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Peak</u>	<u>Avg.</u>	<u>Peak</u>	<u>Avg.</u>	<u>Peak</u>	
Station:												
Station:												
Station:												
Station:												
Station:												
Station:												

**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

Lower Salford Township Authority

**Date:** 02/12/26

**Municipality Name:** \_\_\_\_\_

**3. Pumping Stations – Flow Metering:**

As a supplement to this questionnaire form please provide a discussion for the following:

Existing sanitary sewer flow rates shall be documented with actual metering of influent flows into all pump stations. A discussion and copies of station plans of the actual and proposed placement of flow metering equipment to accurately record and document 15-minute readings of sanitary sewer influent flow rates, pumping rates, and rainfall quantities shall be provided. Average daily total flows, maximum peak daily total flows, hourly flow rates one day prior to, during, and one day subsequent to a rainfall greater than 1" per 24 hours or less shall be provided. The peaking factor comparing the peak flow recorded during the highest continuous 24-hour period to the annual average daily flow shall be provided in a tabular form for all pumping stations. If surcharging was recorded or if all pumps were in simultaneous operation for more than a half hour, a comparison of rainfall versus sanitary flow rates shall be determined. Please provide a discussion that applies the rainfall to flow rate comparison to possible future I&I investigations.

**4. Pumping Stations Capacity:**

If the existing metered and/or projected peak flow rates exceed the pumping station design capacity (gallons per minute without the largest pump) at any time for a period of a half hour, explain ongoing and proposed efforts to reduce the overload for each station. Provide documentation of investigative and corrective repair and/or rehabilitation efforts completed. Estimate the schedule of proposed efforts to reduce the overload. Provide copies of all Sanitary Sewer Overflow (SSO) and Sanitary Sewer Discharge (SSD) reports during the year. Use additional sheets as necessary to document existing recorded flows and provide a detailed discussion.

n/a

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**TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE**

**Municipality Name:** Lower Salford Township Authority      **Date:** 02/12/26

**C. INDUSTRIAL FLOWS**

<u>Industry Name</u>	<u>SIC Code</u>	<u>Location</u>	<u>2025 Average Flow (GPD)</u>	<u>Current Metered (Yes/No)</u>	<u>Waste Strength (mg/L BOD<sub>5</sub>)</u>
n/a					

**D. PROGRAM FOR SANITARY SEWER MONITORING, OPERATION AND MAINTENANCE AND REPAIRS      \*\*\* SEE NEXT PAGE \*\*\***

**1. The program shall discuss the following activities:**

- a. Monitoring
- b. Maintenance
- c. Repair
- d. Rehabilitation
- e. Routine & Special Activities
- f. Personnel & Equipment Used
- g. Sampling Frequency
- h. Quality Assurance
- i. Data Analyses
- j. Infiltration / Inflow (I&I) monitoring-Explain municipality's application of flow metering data provided by TMA in your I&I program

**2. Annual events & activities:**

- a. Provide copies of SSO & SSD reports submitted to PADEP during the past year. Provide discussion on cause(s) of SSO/SSD and surcharges in the drainage area tributary to the manhole, the capacity of the sewers & pump station(s) downstream of the manhole and peak flow rates. Provide a comparison of dry weather average peak flows to average daily flows and wet weather peak flow rates and a hydraulic analysis of the problem sewers.
- b. Provide a discussion of repairs made to reduce the I&I causing the SSO/SSD and planned activities for 2026.
- c. Provide information for the total anticipated flow rates based on existing connections to the problem sewers and any proposed new connections and the anticipated dry and wet average and peak flow rates compared to sewer and pump station(s) capacity.
- d. Provide annual calibration reports for flow metering systems in sewers and pump stations.

#### **D. Program for Sanitary Sewer Monitoring, Operation & Maintenance & Repairs**

- The Authority had no SSO's on the system.

#### **F. COMPLETED HOUSING DEVELOPMENTS (connected to the LSTA Interceptor):**

**Creekside at Mainland** – 45 Unit Apartment Complex Built by WB Homes Inc. The complex is connected to the LSTA interceptor which flows to the TMA WWTP.

In 2023, 4 apartment units were built.

In 2024, WB Homes completed building the remaining 41 apartment units, and Certificates of Occupancy were issued.

The LSTA provides water records to TMA for billing of all the apartment units.

The **Mainland Inn** restaurant located at 17 Mainland Road closed in April 2017. It reopened as the Mallard at the Mainland Inn in the fall of 2023 and closed October 19, 2024.

In 2026 - 6 New apartments will be built by WB Homes in the restaurant location.  
(3 Existing Connections + 3 New)

**LSTA Interceptor New Meter Pit** – WB Homes constructed a new meter pit according to TMA's specifications for the Creekside at Mainland apartment complex. As of January 2025, the meter pit has not been dedicated to the LSTA. We anticipate dedication within the next several months. Upon dedication, LSTA will notify TMA and provide the monthly flow meter readings for billing purposes.

#### **Proposed Future Connections:**


- **285 Wambold Road (DEH Holdings)**. The existing residential home is currently directly connected to a TMA sewer line. The home will be demolished with the construction of a two-story office space, storage, and service area space. The increase to the projected sewer flow is one additional EDU. Based on the January 1999 agreement between LSTA and Towamencin Twp, the LSTA received the tapping fee and Towamencin Twp retained them as a customer.



TOWAMENCIN MUNICIPAL AUTHORITY  
2025 TRIBUTARY SEWER SYSTEM QUESTIONNAIRE

Municipality Name: Lower Salford Township Authority Date: 02/12/26

**G. CERTIFICATION**

Signed:  \_\_\_\_\_ (SEAL)  
Title: Operations Manager  
Address: PO Box 243  
57 Main Street  
Harleysville, PA 19438  
Phone No.: 215-256-8676



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**MEMORANDUM**

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**Date:** March 3, 2026  
**To:** David Kraynik, Manager – Towamencin Township  
**From:** Thomas J. Figaniak, P.E.  
**cc:** David Hillmantel, Director of Public Works – Towamencin Township  
Robert J. Iannozi, Jr, Towamencin Township Solicitor  
Mike McGann – Towamencin Municipal Authority  
Edmond G. McCorkle, P.E. – Bursich Associates  
**Reference:** Inflow and Infiltration Report for Calendar Year 2025  
Towamencin Township

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The I/I reduction efforts in 2025 was generally performed in the Towamencin Creek Interceptor (TCI) drainage basin. Approximately \$160,000 in I/I efforts were completed in 2025.

All of the I/I reduction efforts that the Township has completed over the years have proven successful, especially during 2018, being that is was one of the wettest years on record, which resulted in no SSO's occurring. Additionally, no SSO's occurred in 2019, which was also a wetter year. However, four (4) SSO's occurred in 2020, which were the direct result of very extreme and intense rain events. Two (2) SSO's occurred during one (1) event in 2021. No SSO's occurred in 2022. Three (3) SSO's occurred during one (1) very extreme and intense rain event in 2023. Three (3) SSO's occurred during one (1) very extreme and intense rain event in 2024. No SSO's occurred in 2025. Though SSO's occurred in 2020, 2021, 2023, 2024, and 2025, it can be verified that significant successful strides have been made in I/I reduction within the collection and conveyance system over the years. Nine (9) rain events >1.0" occurred in 2025

- **March 16<sup>th</sup>** (1.10") – No SSO's Observed
- **March 31<sup>st</sup>** (1.35") – No SSO's Observed
- **April 11<sup>th</sup>** (1.35") – No SSO's Observed
- **May 13<sup>th</sup>** (1.60") – No SSO's Observed
- **May 30<sup>th</sup>** (1.60") – No SSO's Observed
- **June 30<sup>th</sup>** (1.25") – No SSO's Observed
- **July 1<sup>st</sup>** (1.50") – No SSO's Observed
- **July 31<sup>st</sup>** (1.50") – No SSO's Observed
- **October 30<sup>th</sup>** (1.05") – No SSO's Observed

A.) Work Completed thru December 31, 2025:

1. Meters have collected data from 164 rain events greater than one inch from February 2012 through December 31, 2025.
2. Meter Locations (as of December 31, 2025)

- | <u>TCI</u>                         | <u>KRI</u> |
|------------------------------------|------------|
| 1. MH159.1 – Susan Drive RW        |            |
| 2. MH110.2 – Sherwood RW           |            |
| 3. MH123.11 – Morgandale Community |            |
| 4. MH123.5 – Morgandale Community  |            |
| 5. MH103D (TMA)                    |            |
| 6. MH161 – Tennis Way              |            |
| 7. MH113 – Fairview Way            |            |
| 8. MH185 – Maxwell Ct              |            |
| 9. MH 150 – Freddy Hill Property   |            |

- | <u>BRI</u> | <u>SCI</u> |
|------------|------------|
| 1. None    | None       |

2. Home inspections (As of December 31, 2025)
  - a. Since the beginning of 2013, 2,780 resale U&O inspections have been completed. 208 resale U&O inspections were completed in 2025.
  - b. Inspections include the sump pump discharge, A/C-Heater condensate discharge, sewer vents and downspouts. Any issues found have been repaired to date.
  - c. 650 letters were sent to residents for needed sewer vent repairs. To date 578 have completed the necessary repairs. Towamencin Condominiums and Charlestown Association account for most of the remaining issues, and are working on repairs. The Township has been in contact with them to set up a re-inspection date once they are all repaired. Some properties have since repaired their vents and passed U&O inspections at time of sale. List is being updated as inspections occur or phone calls received.
3. A total of 117 orangeburg lateral replacements have been completed in the Inglewood area; 12 laterals remain to be repaired/replaced.
4. The Township notified 47 residents that televising had identified defects in their laterals which require repair. To date, 21 of the residents have completed the repairs.
5. The Morgandale system consisting of approximately 8,700 linear feet of 8-inch sewer and 35 manholes was dedicated to the Township in September 2014. Morgandale Condominium Association (MCA) retains responsibility for the collectors and laterals. The sewer mains were televised, smoke tested and repaired using CIPP repairs, joint testing, grouting, lateral repairs and manhole repairs by Sewer Specialty Services Co., Inc. under Contract TOW 14-01 and TOW 17-01. The Township has made all repairs to mains, manholes and laterals that were found to be defective during wet weather televising. MCA has reported that they have completed televising the entire community, fixed defects and complied with all aspects of the Agreement. G&A has reviewed MCA quarterly reports and analyzed flow data tributary to MCA. Peaking factors have been

significantly reduced, however I/I is still present in the system. Upon reviewing the data, it appears infiltration has been reduced, but inflow is still present. G&A and the Township continue to work with MCA to focus on I/I removal.

6. I/I Contract work completed prior to 2025:
  - a. \$395,261.20 I/I contract (TOW 12-01) was completed (100%).
  - b. \$719,336.45 I/I contract (TOW 14-01) was completed (100%).
  - c. \$252,576.20 I/I contract (TOW 17-01) was completed (100%). The following work was completed for these contracts:
    - 211,473 linear feet of sewer was cleaned and televised
    - 46 laterals televised
    - 13,040 linear feet of sewer hydraulically cleaned
    - 3,511 joints tested, 1,343 joints sealed with 4,257.5 gallons of grout
    - 4 protruding laterals were trimmed
    - 219 laterals were grouted with 2,026 gallons of grout
    - 50 manholes grouted with 2,467 gallons of grout
    - 309 CIPP liners installed
    - 9,251 linear feet of sewer smoke tested
  - d. I/I contract (TOW 21-01) is completed as of December 31, 2024. During 2021, \$14,557.10 was spent, \$49,098.50 was spent in 2022, \$90,114.70 was spent in 2023, and \$97,988.95 was spent in 2024. The contractor has completed the following work under the contract in 2021, 2022, 2023, and 2024:
    - 69,132 linear feet of sewer was cleaned and televised
    - 13,342 linear feet of sewer was hydraulically cleaned
    - 362 gallons of grout were used to seal manholes
    - 48 CIPP liners were installed
  - e. I/I contract (TOW 24-01) was bid and awarded to Sewer Specialty Services. The project is currently underway and awaiting a significant rainfall to commence televising work. Contract is set to expire December 31, 2026.
- f. The Township applied for a DCED Local Share Account Grant for Phase 2 replacement of the SCI. The project involves approximately 1,200 LF of 18" gravity sanitary sewer from MH 500, located at the PA Turnpike crossing to MH 503.1B. The grant in the amount of \$400,000 was awarded. Installation of the new sanitary sewer piping and demolition of the abandoned pump station was completed in Fall, 2025. Remaining work includes sanitary sewer cured-in-place pipe (CIPP) installation of approximately 1,200 linear feet of existing 18" ACP.
- g. The Township applied for a DCED Local Share Account (LSA) Grant for Phase 3 replacement of the SCI. The project involves approximately 1,900 LF of 18" gravity sanitary sewer from MH 503.1B to MH 509. The grant was awarded at a board meeting on 12/18/25 in the amount of \$250,000.
- h. The Township applied for a DCED PA Small Water & Sewer Grant for the next upstream phase replacement of the SCI, pending the award of the LSA Grant. The PA Small Water & Sewer grants were awarded at a board meeting on 1/20/26. The Township did not receive grant funding for this application.

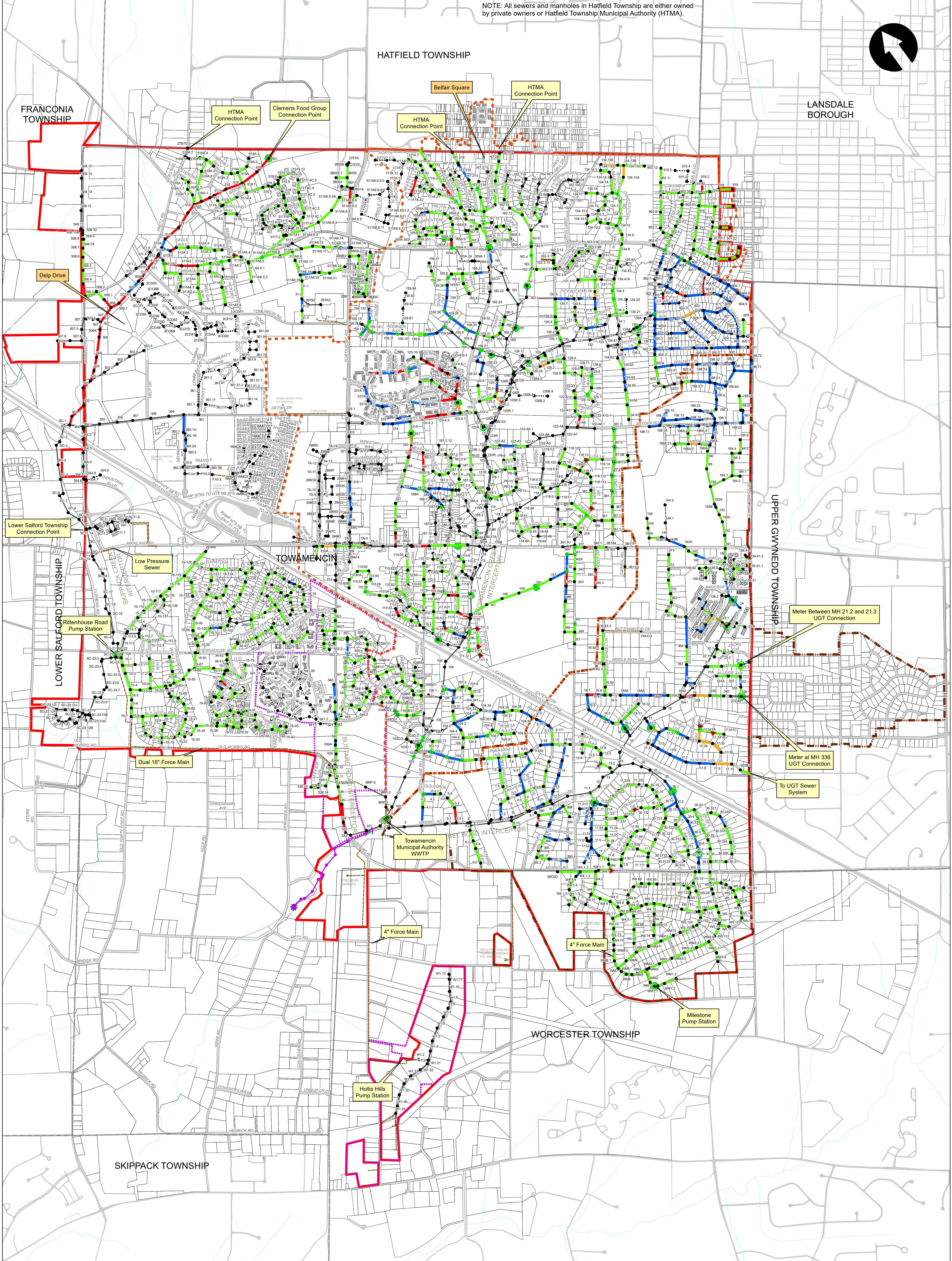
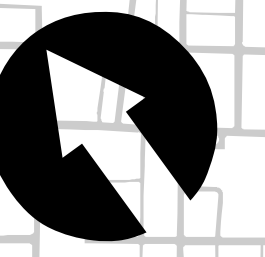
### C.) I/I Work Completed during 2025

1. Retrieved flow meter data as necessary and analyzed data.
2. G&A continues to process data annually and incorporate into GIS and MuniLogic.
3. The contractor has completed the following I/I work in 2025 under contract (TOW 24-01):
  - 44,739 linear feet of sewer was cleaned and televised
  - 14,875 linear feet of sewer was hydraulically cleaned
  - 417 gallons of grout were used to seal manholes
  - 26 CIPP liners were installed
4. In 2025, MCA employed the services of Jeffery Wert, P.E. of Metz Engineers to develop a sanitary repair plan for the collection lines and laterals owned by MCA. G&A met with Jeffery Wert to review MCA sanitary sewers and laterals in January, 2026.

### D.) Scheduled Work

1. Continue overall flow metering and data evaluation;
2. Review lateral reports and send notification to owners;
3. Lateral replacement program;
4. Private property sewer inspections;
5. Community sewer system inspections;
6. GIS system documentation;
7. I/I investigation and I/I reduction efforts;
8. Investigation and repair work under I/I repair contracts;
9. Future I/I Contract Work
  - Evaluate outstanding additional minor repairs in the Inglewood area (non-grant application areas)
  - Televiser sewers tributary to the KRI and make repairs as necessary
  - Repair additional portions of SCI from Hatfield Township to Turnpike as necessary/funds become available. Phase 3 survey has commenced.
  - Continue to monitor and work with MCA and other community sewer systems to make repairs and upkeep their systems in good working order
10. Modify the I/I program as needed to focus on areas of concern.

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



**Legend**

<b>Sanitary Manholes</b>	<b>Sanitary Sewers</b>	<b>Towamencin Meter Basin</b>	<b>Other Features</b>
▲ Good Condition	— No Repairs Needed	● BRI	▨ Towamencin Creek Interceptor Basin
▲ Needs Repair	— Monitor	● KRI	▨ Bustard Road Interceptor Basin
● Repairs Complete	— Repairs Needed	● RR PS, HQ Meats	▨ Kriebel Road Interceptor Basin
● Repairs Partially Complete	— Repairs Complete	● SCI	▨ Municipal Boundary
● UGTMA WWTP	— Repairs Partially Complete	● TCI	▨ Sewer Service Area
● Discharge Location	— Collector Laterals (Private)		▨ Towamencin Parcels
● Effluent Sanitary Mn Junction Box	— Effluent Sanitary Sewer		▨ DVRCP 2015 Edge of Pavement
	— Force Main		
	— Sanitary Sewers (Private)		
	— Worcester BRI Sanitary Sewer		

NOTE: Repairs include work from 2012 through 2025. Force main and lateral televising from January 2013 through 2025.

**TOWAMENCIN TOWNSHIP**  
**I & I INVESTIGATION & REPAIRS, 2012-2025**  
 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: 25-00023      DATE: March 2026

**VERIFICATION**

I, Eric Reinbott, Finance Director for the Township of Towamencin, hereby state that the facts set forth in my Responses to TUS Data Request Set 1 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: 3/25/26

  
\_\_\_\_\_  
ERIC REINBOTT

**VERIFICATION**

I, William K. Dingman, Ret. P.E., of Gilmore & Associates, Inc., hereby state that the facts set forth in my Responses to TUS Data Request Set 1 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: 3/25/26

  
\_\_\_\_\_  
WILLIAM DINGMAN, RET. P.E.