

Rimersburg Borough Municipal Authority
Engineer's Report
April 3, 2024

Wastewater Treatment Plant Upgrades

A/E Services Procurement – advertisement in Leader Vindicator (3/14 & 3/21)
Proposals due to Boro office by 4/23 at 11am
Final plant design ongoing w/structural dept
Engineering Budget – 43% remaining (see attached summary)

PENNVEST – Lead Line Replacement Project

Mortimer's Excavating contract \$928,425
No Pay App for March Project Cost to Date – \$483,722.10 (52% of budget)
Substantial Completion certificate issued 2/7; Final Payment date – 5/17
Several punchlist items remain – see attached
Invoices:

EADS Invoice #240422 (3/26/24) – \$4,581.96 **Motion Requested**
Submit PENNVEST Pay Request #5 – \$4,581.96 **Motion Requested**
Project budget – \$1,180,658 (\$610,991 grant, \$569,667 loan) Cost to Date – \$626,084.33 (53%)
Engineering Budget – 42% remaining (see attached summary)

Chestnut St Water & Sewer Replacement Project

Final payment due 5/17 – punchlist items complete except for paving & 405 Chestnut sidewalk
Terra Works contract \$751,157
No Pay App for February Project Cost to Date \$679,242.78 (90% of budget)
Engineering Budget – 22% remaining (see attached summary)

Compliance – Lead Service Line Inventory

Lead Service Line Inventory – DEP deadline of 10/16/24
Chapter 94 Report submitted to DEP on 3/26

Wastewater Treatment Plant Operations

Circuit Rider Agreement (see attached) – EADS operations to begin 4/8 **Motion Requested**

GIS Mapping

ARC GIS Online login credentials – \$550/yr

Grant Applications

LSA App – SR 68 Waterline Carr St. to Cemetery (\$997,375) – submitted 11/30
Monterey Road Water Line project – \$210,000 in CDBG funds approved for 2023
Funding to be available in Spring 2024 per Kristi
Boro-wide waterline replacement project – Competitive CDBG app pending (Kristi Amato)
Chestnut St. paving/sidewalks/stormwater – DCED Multimodal app (Borough) – no award granted

Wastewater Treatment Plant Upgrades – Engineering Budget Report as of 3/31/24

Phase	Phase Name	Budget	Work Completed	% Budget Used	Budget Remaining
10	Basic Services - Study	\$60,000	\$54,703.04	91%	\$5,296.96
11	Basic Services - Engineering	\$345,000	\$140,802.42	83%	\$210,915.18
20	Field Surveys & Mapping	\$20,000	\$19,246.77	96%	\$753.23
30	Geotechnical	\$30,000	\$2,942.74	10%	\$27,057.26
40	WQM Part II Permit	\$30,000	\$27,258.47	91%	\$2,741.53
50	NPDES Permit (Stormwater)	\$30,000	\$28,025.71	93%	\$1,974.29
60	General Permit	\$15,000	\$13,886.54	93%	\$1,113.46
70	PENNDOT Driveway Permit	\$10,000	\$1,676.46	17%	\$8,323.54
80	County & Local Permits	\$10,000		0%	\$10,000.00
90	Subdivision Prep Plan	\$15,000	\$14,909.59	99%	\$90.41
100	Property Owner Negotiations	\$5,000	\$5,755.32	115%	-\$755.32
110	Funding Administration	\$50,000	\$31,746.48	63%	\$18,253.52
120	Startup Assistance	\$10,000		0%	\$10,000.00
130	Resident Project Representative	\$170,000		0%	\$170,000.00
	Totals	\$800,000	\$340,953.54	57%	\$459,046.46

Lead Water Line Replacement Project – Engineering Budget Report as of 3/31/24

Phase	Phase Name	Contract Budget	WIP	% Budget Used	Budget Remaining
10	Basic Services	\$68,000	\$47,514.52	69.9%	\$20,485.48
20	PENNVEST App	\$15,164	\$15,036.59	99.2%	\$127.50
30	Survey & Mapping	\$10,000	\$10,715.48	107.2%	-\$715.48
40	E&S Plan	\$2,000		0.0%	\$2,000.00
50	PENNDOT HOP	\$25,000	\$16,903.83	67.6%	\$8,096.17
60	Funding Admin	\$40,000	\$17,049.70	42.6%	\$22,950.30
70	Inspection	\$50,000	\$18,090.38	36.2%	\$31,909.62
80	Property Owner Coordination	\$5,000	\$368.06	7.4%	\$4,631.94
	Totals	\$215,164	\$125,678.56	58.4%	\$89,485.53



Chestnut St Water Line Replacement Project – Engineering Budget Report as of 3/31/24

Phase	Phase Name	Contract Budget	WIP	% Budget Used	Budget Remaining
10	Basic Services	\$55,000	\$43,476.64	79.0%	\$11,523.36
20	Survey & Mapping	\$5,000	\$6,779.23	135.6%	-\$1,779.23
30	DEP PWS App	\$3,000		0.0%	\$3,000.00
40	E&S Plan	\$1,000		0.0%	\$1,000.00
50	Right-Of-Way Sketches	\$6,000	\$2,054.83	34.2%	\$3,945.17
60	Inspection	\$10,000	\$9,995.63	100.0%	\$4.37
	Totals	\$80,000	\$62,306.33	77.9%	\$17,693.67

**Rimersburg Borough Municipal Authority
Lead Line Replacement Project
Meeting of April 3, 2024**

EADS requests the Authority's approval to submit the below listed invoices/amounts to PENNVEST for reimbursement to the Authority:

PV COST SHEET CATEGORY	VENDOR	INVOICE #	DATE	TOTAL AMOUNT	Pennvest Request	RBMA Request
Engineering Fees	The EADS Group, Inc.	240422	3/26/2024	\$4,581.96	\$4,581.96	\$0.00
TOTAL				\$4,581.96	\$4,581.96	\$0.00

YTD Payment Requests	TOTAL	PENNVEST	RBMA
PV Request #01	\$97,941.56	\$97,941.56	\$0.00
PV Request #02	\$16,185.08	\$16,185.08	\$0.00
PV Request #03	\$493,480.70	\$493,480.70	\$0.00
PV Request #04	\$13,895.03	\$13,895.03	\$0.00
PV Request #05	\$4,581.96	\$4,581.96	\$0.00
YTD TOTALS:	\$626,084.33	\$626,084.33	\$0.00
Current Budget:	\$1,180,658.00	\$1,180,658.00	\$0.00
YTD Budget Balance(s):	\$554,573.67	\$554,573.67	\$0.00

PAYMENT/DEPOSIT PROCESS



Step 1. Upon approval by RBMA, EADS will submit the Payment Request to PENNVEST. Once the PENNVEST request is processed, EADS and RBMA will electronically sign the request for PENNVEST (emails will be sent to notify the signers to e-sign).

Step 2. Payment from PENNVEST will later be deposited into the project checking account. Once the payment from PENNVEST is deposited, RBMA will then be able to issue payment(s) to the above vendor(s). (Note: Allow up to 30 days to receive the deposit(s) from PENNVEST after electronically signing the request.)

**Rimersburg Borough Municipal Authority
Lead Line Replacement Project
YEAR-TO-DATE PROJECT BUDGET BALANCE
PENNVEST ME#85135**

COST CATEGORY	PENNVEST BUDGET	RBMA BUDGET	TOTAL ORIGINAL BUDGET	CHANGE ORDERS	CURRENT BUDGET	YTD TOTAL REQUESTED	BUDGET BALANCE	PENNVEST BALANCE	REQUESTED FROM PV	RBMA BALANCE
Administrative Costs	\$30,000.00	\$0.00	\$30,000.00	(\$15,000.00)	\$15,000.00	\$0.00	\$15,000.00	\$15,000.00	\$0.00	\$0.00
Legal Fees	\$10,000.00	\$0.00	\$10,000.00	\$15,000.00	\$25,000.00	\$18,327.50	\$6,672.50	\$6,672.50	\$18,327.50	\$0.00
Engineering Fees	\$140,812.00	\$0.00	\$140,812.00	\$0.00	\$140,812.00	\$124,034.73	\$16,777.27	\$16,777.27	\$124,034.73	\$0.00
Permits	\$25,000.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00	\$25,000.00	\$0.00	\$0.00
CONSTRUCTION										
2022-W-02 Mortimer's Excavating, Inc.	\$928,425.00	\$0.00	\$928,425.00	\$0.00	\$928,425.00	\$483,722.10	\$444,702.90	\$444,702.90	\$483,722.10	\$0.00
CONTINGENCY										
	\$46,421.00	\$0.00	\$46,421.00	\$0.00	\$46,421.00	\$0.00	\$46,421.00	\$46,421.00	\$0.00	\$0.00
TOTAL	\$1,180,658.00	\$0.00	\$1,180,658.00	\$0.00	\$1,180,658.00	\$626,084.33	\$554,573.67	\$554,573.67	\$626,084.33	\$0.00

YTD Requested+Pennvest+RBMA Bal=

\$1,180,658.00

PV Construction Total: \$928,425.00

% of Funding requested to date: 53.03%

Construction % complete: #REF!

Current Construction Retainage: \$0.00

Payment Requests	Pennvest	RBMA	Total	Submitted	Date Paid
Request #01	\$97,941.56	\$0.00	\$97,941.56	12/12/23	
Request #02	\$16,185.08	\$0.00	\$16,185.08	01/25/24	
Request #03	\$493,480.70	\$0.00	\$493,480.70	02/20/24	
Request #04	\$13,895.03	\$0.00	\$13,895.03	03/14/24	
Request #05	\$4,581.96	\$0.00	\$4,581.96	04/04/24	
YTD TOTAL REQUESTS	\$626,084.33	\$0.00	\$626,084.33		

Rimersburg Boro. Municipal Authority
 27 Main Street
 Rimersburg, PA 16248

Invoice Number: 240422
Project Name: Rimersburg Lead Line Replacement Project
Project #: 0220-21-368
Client #: 6646-00
Date: 3/26/2024

Scope of Work:

Engineering Services through February 29, 2024 related to the proposed Business District Lead Water Line Replacement project. Coordinated with Mortimers Excavating on project schedule, punchlist items, and completion. Provided resident project representative services during construction. Coordinated with Frank and Mortimers on sidewalk specs and restoration requirements. Prepared pay request and change order items for submission to PENNVEST.

Professional Services For Period Ending 2/29/2024.

Phase\Task	Fee Amount	Percent Complete	Earned To Date	Previous Billing	Current Billed
10 Basic Services	68,000.00	67.53	45,920.79	43,747.32	2,173.47
Total Professional Services	68,000.00		45,920.79	43,747.32	2,173.47

Phase: 60 Funding Administration

Labor

	Hours	Amount
ENGINEER III		
Zachary R. Sansom	.75	88.88
PROJECT MANAGER		
Kyle T. Schwabenbauer	1.00	117.75
ENGINEER I		
Kristen Johnson	.50	46.50
ENGINEER I		
Kristen Johnson	4.50	384.76
SECRETARY II		
Heather L. Lechner	.25	15.60
Labor Subtotal	7.00	653.49
Phase\Task Subtotal		653.49

Phase: 70 Construction Inspection

Labor

	Hours	Amount
ENGINEER III		
Zachary R. Sansom	.50	61.50

Project 0220-21-368 Rimersburg Lead Line Replacement Project

Invoice 240422

PROJECT MANAGER		
Kyle T. Schwabenbauer	3.00	339.75
ENGINEERING TECHNICIAN III		
Beau W. Schettler	.25	21.75
RES. PROJECT REP. I		
Eric Heil	4.00	360.00
RES. PROJECT REP. I		
Eric Heil	13.50	972.00
Labor Subtotal	21.25	1,755.00
Phase\Task Subtotal		1,755.00
TOTAL THIS INVOICE		4,581.96

Approved by

Kyle T. Schwabenbauer

April 3, 2024

Rimersburg Borough Municipal Authority
Attn: Mr. Michael Graham, Chairman
27 Main Street
Rimersburg, Pennsylvania 16248

RE: Proposal for Sewage Treatment Plant Operator

Dear Mr. Graham,

Thank you for the opportunity to provide a proposal to Rimersburg Borough Municipal Authority (RBMA) for circuit rider sewage system operations. From our Clarion office, The EADS Group serves as the primary operator, or operator in responsible charge, at 11 different sewage treatment plants and 2 additional collection systems. A summary of the various services we provide to numerous clients in addition to Sewage Treatment Plant Operations is attached.

With a circuit rider agreement, our fees are charged on an hourly rate basis for the personnel working to oversee and complete the needed tasks requiring our services. Our 2024 Standard Hourly Rates are attached, and we can provide necessary services as requested by the RBMA. However, at minimum, we require two (2) monthly site visits, the RBMA must have adequate Standard Operating Procedures (SOPs) in place, and the RBMA must have an Operation and Maintenance Manual (O&M) for the facility. Additional time may be needed monthly to assist with other maintenance/compliance issues as they arise.

Costs for typical anticipated Sewage Treatment Plant Operations are as follows:

- Daily plant visit Monday through Friday for first two (2) weeks: \$1,600/week
- Plant visits two (2) times per week (including Monday)
for subsequent two (2) weeks: \$750/week
- After first month, EADS will conduct two (2) monthly site visits
assuming a total of 4 hours on-site per/month: \$550/month
- Initial Standard Operating Procedure (SOP) preparation: \$1,800 one time
- Initial Operation and Maintenance (O&M) manual preparation: \$2,500 one time

EADS does not provide mechanical work on equipment but will typically subcontract such needed services out to local contractors capable of completing those tasks. If our services appear to meet your needs, please sign page 13 of the attached agreement, and return the completed document to our office. If you have any questions, or would like to discuss our proposed services further, please contact Kyle Schwabenbauer at 814-764-5050 or via e-mail at kschwabenbauer@eadsgroup.com.

Thank you,

The EADS Group (Clarion)

Joshua G. Kalp, P.E.

FIRM OVERVIEW

Quality Service with Integrity

Board of Directors:

- ◆ Thomas M. Reilly, P.E.
President and CEO
- ◆ David M. Yahner, P.E.
- ◆ Benjamin W. Faas, P.E.
- ◆ Gregory L. Elliott, RLA
- ◆ Stephen M. Sewalk, P.E.
- ◆ Ronald E. Burk, P.E.

The EADS Group is a Corporation Registered in:

- ◆ Pennsylvania
- ◆ Maryland
- ◆ New Jersey
- ◆ Ohio
- ◆ Texas
- ◆ Virginia
- ◆ West Virginia
- ◆ Alabama
- ◆ Arkansas
- ◆ Kentucky
- ◆ Louisiana
- ◆ Mississippi

Office Locations:

- ◆ Altoona, PA
- ◆ Clarion, PA
- ◆ Cumberland, MD
- ◆ Johnstown, PA
- ◆ Lewistown, PA
- ◆ Morgantown, WV
- ◆ New Brighton, PA
- ◆ Pittsburgh, PA
- ◆ Somerset, PA

- ◆ Est. 1955
- ◆ Over \$31 Million in revenue in 2021
- ◆ ISO 9001 Certified
- ◆ Employee-owned and managed
- ◆ Over 200 employees

QUICK FACTS

MISSION

The Mission of The EADS Group is to provide our clients quality service with integrity, the success of which is measured by their level of satisfaction. By maintaining a climate of integrity, innovation, and constant improvement, we ensure our technical staff the opportunity for personal growth while creating a working partnership with our clients.

BACKGROUND

For over 65 years, The EADS Group has been satisfying the planning, engineering, environmental, architectural and related needs of federal, state and private clients in our community.

Extensive knowledge and expertise is represented in over 200 professionals in the following office locations - Altoona, Clarion, Johnstown, Lewistown, New Brighton, Pittsburgh and Somerset, PA; Cumberland, MD and Morgantown, WV. Our professional team is made up of: Professional Engineers, Certified Planners; Registered Landscape Architects, Registered Land Surveyors, Professional Geologists, Registered Architects, Environmental Specialists, Construction Inspectors, Photogrammetrists, and highly skilled technical personnel. We offer the resources of many talented individuals with literally hundreds of successful projects to their credit.

PEOPLE

The key to our organization is people. The loyalty, dedication and longevity of our staff ensure that The EADS Group can provide continuity and professionalism to all assignments. Our personnel are educated, trained and experienced in their chosen disciplines, specifically to provide quality service to our clients. They are flexible. Each project, large or small, becomes the responsibility of a project manager and a specially selected team.

COMMITMENT

To you, our customer. To our community. To ourselves. To quality. We are committed. As an employee-owned company, each member of the EADS Team is invested and dedicated to providing only the highest quality of work. Exemplifying our commitment to quality is our ISO 9001 certification. Our process-based quality management system puts customer satisfaction in the foreground of all our daily operations and ensures the successful completion of your project.



FIRM CAPABILITIES

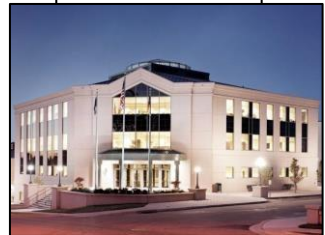
WATER & WASTEWATER

The EADS Group has earned an excellent reputation for providing quality sanitary engineering services. Service to clients began in the late 1940's through the founder of one of our companies, providing the firm with decades of experience in this discipline. We received design approval for the construction of the first aerated facultative lagoon treatment facility in the Commonwealth of Pennsylvania, and were responsible for the initiation of slow sand filtration for safer drinking water within the Commonwealth. Staff is knowledgeable of local, state and federal regulations and investigates solutions tailored to the financial as well as technological needs of each client.



ARCHITECTURE

The EADS Group entered the architectural design market in 1980. Our architectural team specializes in the renovation, restoration and expansion of existing facilities, as well as the design of new structures. Projects completed range from small structures for private developers, to high-tech, top security facilities for the federal government. Historic restoration projects have also been completed in strict compliance with the National Register of Historic Places.



SITE DEVELOPMENT

The EADS Group provides total capabilities in the transformation of undeveloped property into functional commercial, industrial and institutional facilities. From the acquisition of the property through construction management, we offer total in-house capabilities. The disciplines available to you include surveyors, right-of-way specialists, environmental scientists, civil engineers, landscape architects, geologists, hydrogeologists, photogrammetrists, water/wastewater engineers, structural engineers and construction specialists.



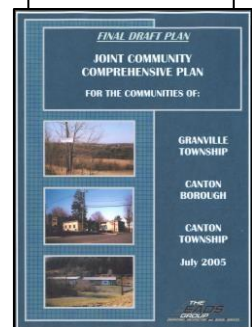
ENVIRONMENTAL

Our staff has extensive experience with waterways permitting, environmental risk assessments, site investigations, wetlands delineation and mitigation, and all related permitting. The scope of services covers terrestrial and aquatic ecology, water resources, vegetation and wetlands, soils and geology, air quality, noise, hazardous wastes, and socio-economics/land use. Projects have been successfully completed for private and public sectors: 17 Street Logan Partnership, L.P., Westvaco, Appleton Papers, Crown American Corp., National Park Service, U.S. Fish and Wildlife Service, Environmental Protection Agency, Pennsylvania Departments of Environmental Protection (DEP) and Transportation (PennDOT), and U.S. Navy and U.S. Army Corps of Engineers.



PLANNING

The EADS Group provides planning services to local governments, public agencies and the development community. Planning services draw upon the mapping, transportation, and environmental capacities of the company, uniquely blending them in a unified approach to assist local officials and the business community in understanding and improving their respective environments. Planning services are coordinated and provided by professionals having a multi-disciplinary background and approach, with extensive experience in comprehensive and strategic planning, land use planning and development planning, in the public and private sectors.



Firm Capabilities

Page 2

MAPPING

Staff has the ability to produce Geographic Information System (GIS), enhanced digital orthophotography and photogrammetric mapping at any scale chosen by our clients. Normal mapping scales provided range from a design scale of 1" = 30' to a scale of 1" = 500', for planning documents. Mapping is provided in GIS ArcInfo, AutoCAD and Microstation formats. Maps can be provided in a layered digitized format, including contours as layers. EADS has the ability to produce maps using GPS control surveys and analytical aerotriangulation. EADS is also able to provide both high quality photography and accurate mapping with ground control with the use of Drone UAV Services.

CONSTRUCTION MANAGEMENT

Construction management is completed in support of in-house design services and for projects designed by other professionals. A mix of experience and training provides clients with the knowledge of the latest construction technology and sensitivity to the environment during the construction process. Materials testing capabilities are also available in-house.

MINING & GEOTECHNICAL

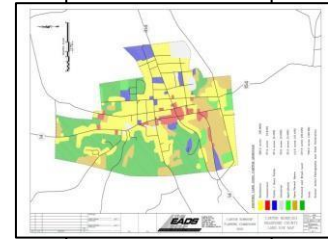
Since the founding of one of our companies in 1940, we have completed numerous mining and geotechnical engineering projects. Our experience includes all aspects of mining and geotechnical engineering including mine layout and design, operations, permitting, mine transportation systems, reclamation, mine drainage treatment, geotechnical analysis (including foundation and slope stability analysis), soils engineering, water analysis, etc. Clients are in both the private and public sector reaching from Louisiana to Arkansas and north to Wisconsin and New Brunswick, Canada.

SURVEYING

The EADS Group has been providing professional surveying and mapping services to government, business and industry for more than sixty years. Surveying services are incorporated as an integral part of each of the in-house disciplines offered. Whether strictly related to surveying, or as a support function, our survey crews are capable of providing timely and accurate data necessary for the successful completion of any project. Our crews are familiar with the most recent regulations and standards, and utilize state-of-the-art equipment and software programs to complete each assignment. We also offer Drone UAV Services.

TRANSPORTATION

The EADS Group has been responsible for the design of over \$1 billion worth of roadways, highways and bridge construction projects. Our designers have been trained extensively in the use of both Softdesk and Microstation survey, mapping and highway design computer software. This permits the generation of alignments, profiles and cross sections from the initial input of the raw survey data. Today, we provide highway, bridge, and airport planning design and construction services to State Transportation Departments, the U.S. Army Corps of Engineers, Counties, Municipalities, Authorities, and Private Developers. Our engineers and technicians also inspect 300+ bridges on a continual two-year cycle. Our company led a multi-discipline team of Engineers, Geologists and Environmental Specialists to successful completion of one of the largest transportation improvement projects in PA -The Lewistown Narrows. This project has received various awards including: FHWA-Award of Excellence, ACEC/PA-Grand Conceptor Diamond Award, ACEC-Engineering Excellence Honor Award, AASHTO-America's Transportation Award Large Project-on Time, and FHWA/PA-Transportation & Historic Preservation Excellence Award.



The EADS Group, Inc.
2024 BILLING RANGE OF RATES

CLASSIFICATION	RATE*
CLERICAL	
Clerical	\$50 - \$64
Administrative Assistant	\$62 - \$75
DRAFTING	
CADD Operator/Draftsman	\$64 - \$96
GIS Technician	\$68 - \$96
ENVIRONMENTAL	
Environmental Specialist	\$67 - \$85
Senior Environmental Specialist	\$119 - \$135
Sewage Enforcement Officer (SEO)	\$90 - \$119
Geologist	\$108 - \$123
INSPECTION	
Resident Inspector	\$67 - \$85
Senior Resident Inspector	\$84 - \$100
OPERATOR	
Water/Wastewater Operator	\$95 - \$130
PLANNING	
Jr. Planner	\$79 - \$83
Planner	\$112 - \$121
LEAK DETECTION	
• One-Man Crew	**
• Two-Man Crew	**
SURVEYING	
UAV Crew (Drones)	***
Photogrammetrist	\$125
Survey Crew:	
• Two-Man Crew	\$111 - \$154
• Three-Man Crew	\$150 - \$191
Chief of Surveys	\$119 - \$160
ENGINEERING	
Engineering Intern/E.I.T.	\$95 - \$107
Engineering Technician	\$95 - \$107
Senior Engineering Technician	\$115 - \$134
Engineer	\$124 - \$157
Senior Engineer	\$162 - \$202
ARCHITECTURE	
Architectural Designer	\$95 - \$113
Landscape Architect	\$115 - \$129
Senior Landscape Architect	\$162 - \$183
Architect	\$145 - \$165
Senior Architect	\$173 - \$191
MANAGEMENT	
Project Manager	\$151 - \$174
Department Manager	\$174 - \$199
Principal	\$206
REIMBURSABLE EXPENSES	
Mileage	\$.67****
Out-of-Pocket Expenses - Project expenses such as telephone, printing, posting, advertisements, legal notices, fees, permits, travel, business-related meals, lodging, etc. at cost.	

* Billing rates will be based upon the actual individual being utilized on the contract.

** Different rates may apply for emergency callouts.

*** Price proposal will be provided per project.

**** Or current PennDOT approved mileage rate.



WATER / WASTEWATER PLANT OPERATION AGREEMENT

This Operation Agreement ("Agreement") is made and entered into as of April 3, 2024 by and between Rimersburg Borough Municipal Authority ("Owner"), and The EADS Group, Inc. ("Operator").

RECITALS

WHEREAS, Owner owns a(n) 0.20 MGD Activated Sludge Wastewater Treatment Plant facility (hereinafter the "Facility") and desires to contract for operation and maintenance of the Facility; and

WHEREAS Operator provides operation and maintenance services for Wastewater Treatment Plant facilities and has agreed to provide those services on the terms and conditions in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants, undertakings and conditions set forth below, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1: AGREEMENT

Section 1.1: Agreement. This Agreement consists of the terms and conditions set forth in the sections captioned by numbered article designations ("Articles") and the following appendices, which are incorporated and made part of this Agreement by this reference and are included in any reference to this Agreement:

(A) Appendix A – Scope of Services

(B) Appendix B – Communication Protocols

If the terms and conditions of the Articles of this Agreement vary or are inconsistent with any portion of the Appendices, the terms of the Articles in this Agreement shall control and be given priority, and the provisions of the Appendices shall be subject to the terms of the Articles. This Agreement contains the entire Agreement between the parties with respect to the subject matter of this Agreement. Neither party will be bound by or be deemed to have made any representations, warranties, commitments, or other undertakings with respect to the subject matter of this Agreement that are not contained in this Agreement.

Section 1.2: *Effective Date and Term.* This Agreement shall be effective and shall govern the rights and obligations of the parties from and after the date of this Agreement to and including April 3rd, 2025.

Section 1.3: *Relationship of The Parties.* Operator has been retained by Owner as an independent contractor to operate and maintain the Facility on behalf of Owner, in accordance with the requirements of this Agreement. Owner has delegated to Operator select responsibilities for operating and/or maintaining the Facility to help ensure that the Facility is available to treat water or sewage as set forth by the Owner's Pennsylvania Department of Environmental Protection (DEP) Permit. Neither Operator nor any of its employees, subcontractors, or agents shall be deemed to have any other status, except that Operator is the agent of Owner to the limited extent that this Agreement expressly grants Operator the authority to act on behalf of Owner.

Section 1.4: *Representatives.* Owner and Operator shall each designate in writing a representative ("Designated Representative") to act on its respective behalf in overseeing the performance of this Agreement. Owner and Operator may change their respective Designated Representatives upon written notice to the other party given as

provided in this Agreement. Designated Representatives shall be the primary means for communication and other interactions between Owner and Operator that are required under this Agreement.

ARTICLE 2: DEFINITIONS

Section 2.1: *Definitions.* Unless otherwise required by the context in which a defined term appears, the following terms shall have the meanings specified in this Article 2. Terms defined in other Articles shall have the meanings given to them in those Articles.

- (A) “Business Day” means any day other than Saturday, Sunday, or other day on which commercial banks are authorized or required to close in the Municipality where the Facility is located.
- (B) “Contract Year” means: (i) for the first Contract Year, that period from the date of this Agreement to and including March 1 of the following year; and (ii) for each Contract Year thereafter, the calendar year.
- (C) “Force Majeure Event” means an event, condition, or circumstance beyond the reasonable control of, and not due to the fault or negligence of, the party affected, and which could not have been avoided by due diligence and use of reasonable efforts, which prevents the performance by such affected party of its obligation as hereunder; provided that a “Force Majeure Event” shall not be deemed to have occurred or to be continuing unless the party claiming Force Majeure complies with the requirements of Section 13.1 (*Force Majeure*). Subject to the foregoing, “Force Majeure Event” shall include, as to either party, explosion and fire (in either case to the extent not attributable to the negligence of the affected party), flood, earthquake, storm, or other natural calamity or act of God, strike or other labor dispute, war, insurrection or riot, actions or failures to act by governmental entities or officials, failure to obtain governmental permits or approvals (despite timely application therefore and due diligence) and changes in laws, rules, regulations, orders or ordinances affecting operation of the Project, which events were not pending on the date of this Agreement.
- (D) “Facility” means the water treatment plant or wastewater treatment plant and related assets, together with other facilities and related assets.
- (E) “Standard Operating Procedures” means the procedures set by the Owner and/or Operator and approved by the Pennsylvania Department of Environmental Protection (DEP) that will be used to operate the facility on a daily basis.
- (F) “DEP” and/or “PaDEP” means the Pennsylvania Department of Environmental Protection.
- (G) “Operator” means either a Senior Engineer or Engineer listed under the Civil/Sanitary Engineer classification indicated on the attached “Rate Schedule”.
- (H) “Operator in Training” means either a Senior Technician or Technician listed under the Civil/Sanitary Engineer classification indicated on the attached “Rate Schedule”.

ARTICLE 3: SERVICES

Section 3.1: *Scope of Services.* In accordance with the Scope of Services attached hereto as Appendix A, Operator will (i) operate and maintain the Facility on behalf of Owner (“Services”) and (ii) perform the specific duties set forth in this Agreement.

Section 3.2: *Standards for Performance of the Services.* Operator will perform the Services required under this Agreement, including those set forth in Appendix A, in a prudent, reasonable, and efficient manner and in accordance with (i) Operations and Maintenance Manuals made available by Owner, (ii) Standard Operating Procedures recognized in the relevant industry, and (iii) applicable laws and regulations. Owner understands and acknowledges that circumstances beyond the Operator’s control exist, including but not limited to mechanical and equipment failures, loss of power, etc. and that the Operator shall not be responsible for any ramifications that may result from such circumstances.

Section 3.3: *Operator’s Personnel Standards.* Operator will provide as reasonably necessary labor and professional, supervisory, and managerial personnel as are required to perform the Services. Operator will strive to perform services under this Agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, expressed or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document, or otherwise. All individuals employed by Operator to perform the Services shall be employees of Operator, and their working hours, rates of compensation and all other matters relating to their employment shall be determined solely by Operator (subject to Owner’s approval). With respect to labor matters, hiring personnel, and employment policies, Operator shall comply with applicable laws and regulations. Operator also shall act in a reasonable manner that is consistent with the intent and purpose of this Agreement and with Operator’s acknowledgement (hereby given) that Operator has no authority to enter into any contracts with respect to labor matters that purport to bind or otherwise obligate Owner.

Section 3.4: *Compliance.* Operator will, subject to the other terms of this Agreement, comply with laws and regulations applicable to the operation and maintenance of the Facility. Owner shall apply for and obtain necessary permits, licenses, and approvals (and renewals of the same) required to allow Operator to operate the Facility.

Section 3.5: *Operating Records and Reports.* When included in the “Scope of Operator’s Services” in Appendix A, Operator shall provide Owner reasonably necessary assistance in connection with Owner’s compliance with reporting requirements under the DEP-applicable laws and regulations or any other agreement to which Owner is a party relating to the Facility. Such assistance shall include providing reports, records, logs, and other information that Owner may reasonably request as to the Facility or its operation. Owner and Operator agree that Operator shall be provided with copies of any citations or other notices issued by DEP or any other regulatory agency pertaining to the Facility dating back to the period of ten (10) years prior to the date of this Agreement. Records, documents and other materials generated or received by Operator in the course of performing services hereunder shall be the sole property of the Owner and shall be delivered to the Owner either on a monthly or periodic basis, as applicable, or at the end of the term of the Agreement. Operator may, at its sole cost, make copies of such records for its own files. Finally, Operator acknowledges that records in its possession or created by it may be public records within the meaning of the Pennsylvania Right-to-Know Law and may become subject to disclosure under that Law. Operator agrees to cooperate with the Owner in responding to any request made under the Law, and to agree to disclose any documents determined by the Owner to constitute public records.

Section 3.6: *Emergency Action.* When included in the “Scope of Operator’s Services” in Appendix A, if an emergency endangering the safety or protection of persons, the facility, or property located near the Facility occurs, Operator shall promptly notify Owner and take necessary action to attempt to prevent, minimize or mitigate any such threatened damage, injury, or loss. Operator will make reasonable efforts to minimize any cost associated with remedial action in case of such an emergency.

Section 3.7: *Action in Extraordinary Circumstances.* In the event that:

- (A) the Facility or major Facility equipment suffers an unplanned breakdown (or Operator reasonably believes that such an occurrence is imminent), and
- (B) Operator has made reasonable, but unsuccessful, efforts to notify and communicate with Owner regarding such occurrence or imminent occurrence in accordance with the terms of this Agreement, then Operator shall be permitted to take the following actions in compliance with Operator’s duty of care hereunder:
 - (i) take necessary action to prevent, minimize or to mitigate such unplanned breakdown,
 - (ii) make reasonable efforts to minimize any cost associated with such remedial action,
 - (iii) continue to attempt to notify and communicate with Owner regarding the occurrence and the planned and necessary remedial action, and
 - (iv) undertake any necessary expenditures for such purposes up to an aggregate of **\$500.00 (five hundred dollars and zero cent)** in any Contract Year, with any overages during any Contract Year approved in writing by Owner.

ARTICLE 4: OWNER RESPONSIBILITIES

Section 4.1: *Information.* Owner shall provide Operator with all Operation and Maintenance manuals, spare part lists, Project data books and drawings. Operator shall be entitled to rely upon such information in performance of the Services. Owner shall also provide Operator with copies of all Facility manuals, permits, and any amendments thereto and any other documents that define the Facility’s operating requirements, including any citations or notices provided under Section 3.5.

Section 4.2: *Overhaul of Major Equipment and Capital Improvements.* The cost of all major equipment teardowns and overhauls and all capital improvements shall be the responsibility of Owner. When included in the “Scope of Operator’s Services” in Appendix A, Operator shall promptly notify Owner in writing of any such teardowns and overhauls of major equipment or capital improvements that Operator believes are necessary or advisable together with a proposed schedule for completing such repairs or improvements. Owner shall approve work before it is scheduled. Owner is responsible for direct payment of all costs associated with overhauls and capital improvements in accordance with its typical municipal bill-approval and payment protocol.

Section 4.3: *Notice to Operator.* Owner agrees to give prompt written notice to Operator when Owner observes or otherwise becomes aware of any development that affects the scope or time of performance or furnishing of Operator’s services, or any defect or nonconformance in Operator’s services.

Section 4.4: *Permits and Approval Costs.* Owner shall pay all application and similar fees necessary to obtain necessary permits and approvals or to respond to and/or remedy any Citations or Notices issued in connection with said permits and approvals.

ARTICLE 5: COMPENSATION AND PAYMENT

Section 5.1: *Payments.* As compensation to Operator for performance of the Services hereunder, Owner shall pay Operator on a monthly basis the fees that are accumulated on an hourly basis based on the rates set forth in Section 5.4. In addition, Owner shall (at Owner's Option) either (i) reimburse Operator for all Reimbursable Costs which are incurred by the Operator or (ii) pay such Reimbursable Costs directly to the applicable third parties. For purposes of this Section, Reimbursable Costs include, but are not limited to: spare and replacement parts; all materials, including tools and equipment necessary to operate and maintain the plant; chemicals and/or lubricants (including disposal costs for the same); specialized instrumentation and equipment calibration; general supplies; cleaning supplies; leased equipment; etc. Expenses incurred by the Operator that are to be reimbursed by the Owner will be at a 10% mark up of actual invoice cost.

Section 5.2: *Billing and Payment.* Generally, within 30 days following the end of each month, Operator shall submit an invoice for payment. Within 30 days after receipt of any such invoice, Owner shall pay the Operator the specified sum.

Section 5.3: *Interest.* Any amount owed to either party under this Agreement by the other party which remains unpaid more than 30 days after the date such amount is due and payable shall begin to accrue interest at a rate of 1.5% per month commencing on the thirty-first day after such due date.

Section 5.4: *Hourly Rates.* Owner agrees to pay the Operator **amount based on employee classification (refer to attached "Rate Schedule")** for Certified Operators to perform operations in accordance with this Agreement and Scope of Services (Appendix A). Owner agrees to pay **1½ times the amount based on employee classification (refer to attached "Rate Schedule")** for all Certified Operator time after 6 p.m. and for all time on non- Business Days as defined in Article 2 of this Agreement. Owner agrees to pay **amount based on employee classification (refer to attached "Rate Schedule")** for non-certified Operators (a/k/a Operator-in-Training) working under the direction of a Certified Operator. Owner agrees to pay **1½ times the amount based on employee classification (refer to attached "Rate Schedule")** for all non-certified Operator (aka. Operator-in-Training) time working under the direction of a Certified Operator after 6 p.m. and for all time on non-Business Days. Owner agrees to pay the Operator's standard billing rates for all other Additional Services provided by the Operator to the Owner in connection with this Agreement which are necessary and appropriate for the Operator to fulfill the obligations of this Agreement. Those Additional Service rates are set forth in the Scope of Services attached as Appendix A. Other Additional Services may include, but are not limited to, Clerical and Administrative support.

Section 5.5: *Contracted Services.* Items such as permit required testing, sludge hauling, cleaning and televising of lines and smoke and dye testing of the system shall be via contract with third parties. Operator shall make arrangements for any such contracts, taking into account public contracting requirements and such contracts shall be approved and paid for directly by Owner. Operator shall assist Owner's Engineer in any permit renewals or capital improvements.

Section 5.6: *Grounds Maintenance.* Owner shall be responsible for snow removal and lawn care at the Facilities

ARTICLE 6: PROCUEURES, PLANS, AND REPORTING

Section 6.1: *Standard Operating Procedures (SOP).* The Owner shall provide the Operator with Standard Operating Procedures that include procedures for operating the Facility in accordance with DEP Regulations. The SOP shall govern the covered activities of Operator for the term of this Agreement, subject to such revision and amendment as agreed in writing by Owner and Operator. In the event the Owner does not provide SOP to the Operator within **30** days of execution of this Agreement, the Operator will prepare the SOP for approval by the Owner as part of the Operator's Services under this Agreement on an hourly basis.

Section 6.2: *Operating Data and Records.* When included in the "Scope of Operator's Services" in Appendix A, Operator shall monitor and record operating data and information that (i) Owner must report to any government agency or other person or entity under Applicable Laws and (ii) Owner reasonably requests. Operating data to be reported includes information from operating logs, meter and gauge readings, and maintenance records.

Section 6.3: *Accounts and Reports.* When included in the "Scope of Operator's Services" in Appendix A, Operator shall cooperate with Owner in complying with reporting requirements and Operator shall, during the term of this Agreement, furnish or cause to be furnished to Owner the following reports concerning the Facility operations and services:

- (A) Monthly Reports. Within ten (10) Business Days following the last day of each calendar month, or on the day of the Owner's regularly scheduled monthly meeting, whichever is later, Operator shall submit a progress report, in detail acceptable to Owner, covering activities during such month with respect to operations and maintenance, required capital improvements, labor relations, other significant matters, and services provided as set forth in the Scope of Services in Appendix A. The monthly report shall include a listing of any significant operating problems along with immediately planned remedial actions, and a brief summary of recommended major activities planned for the next reporting period. Operator shall make recommendations of repairs, capital improvements or other initiatives to Owner in the monthly report. Operator will not proceed with recommendations without the Approval from the Owner.
- (B) Litigation, Permit Lapses. Upon obtaining knowledge thereof, Operator shall promptly notify Owner in writing of: (i) any violation of terms of any DEP Permit(s) for the operation of the plant communicated to Operator; (ii) any litigation, claims, disputes, or actions, threatened or filed, concerning the Facility or the services; (iii) any refusal or threatened refusal to grant, renew or extend (or any action pending or threatened that might affect the granting, renewal or extension of) any permit, authorization or consent relating to the Facility or the services; and (iv) any dispute with any governmental authority relating to the Facility or the services. For its part, Owner agrees to promptly notify Operator of any of the above which are not communicated directly to Operator in its performance of services.

Section 6.4: *Additional Communications.* Operator shall communicate certain additional events as specified in Appendix B to Owner and third parties in accordance with the communication protocols set forth in Appendix B to this Agreement.

ARTICLE 7: LIMITATIONS ON AUTHORITY

Section 7.1: *General Limitations.* Notwithstanding any provision in this Agreement to the contrary, unless previously approved by Owner in writing or through Owner's approval, Operator and any employee, representative, contractor or other agent of Operator are prohibited from taking the specified actions with respect to the matters set forth below.

- (A) Contract. Make, enter into, execute, amend, modify, convey, or supplement any contract or agreement (i) on behalf of, in the name of, or purporting to bind Owner or (ii) that prohibits or otherwise restricts Operator's right to assign such contract or agreement to Owner at any time;
- (B) Expenditures. Make or consent or agree to make any expenditure for equipment, materials, or assets beyond that which is authorized by the Owner as indicated in this Agreement including Appendix A; however, that solely in connection with actions taken by Operator pursuant to Sections 3.6 (*Emergency*) and 3.7 (*Extraordinary Circumstances*), Operator may, without prior approval from Owner, make limited expenditures in accordance with those provisions;
- (C) Other Actions. Take or agree to take any other action that materially varies from the applicable SOP or the requirements of any DEP Permit.
- (D) Liens. Create, incur or assume any lien upon the Facility;
- (E) Transactions on Behalf of Others. Engage in any other transaction on behalf of Owner or any other person or entity not expressly authorized by this Agreement or that violates applicable laws or regulations, or this Agreement; or
- (F) Agreements. Enter into any agreement to do any of the foregoing.

Section 7.2: *Contracting Agent.* Operator shall act as an agent of Owner and provide recommendations and fill out purchase orders in the name of Owner for purchases of necessary supplies and materials. All such documentation shall be submitted to and approved by Owner and following completion, be paid directly by Owner to the third party.

ARTICLE 8: TERM AND TERMINATION

Section 8.1: *Term.* The term of this Agreement shall be as indicated in Section 1.2 of this Agreement. Upon agreement of Owner and Operator, this Agreement may be extended. This Agreement is subject to earlier termination pursuant to Sections 8.2 or 8.3. During any extension period the parties may agree in writing to amend any provision of this Agreement, including the applicable fees.

Section 8.2: *Termination By Owner.* Owner may terminate this Agreement with 60 days prior written notice to Operator. If the Agreement is terminated by Owner pursuant to this Section 8.2, Operator shall be compensated for all Costs incurred by Operator and all unpaid fees to and including the date of such termination.

Section 8.3: *Termination By Operator.* Operator reserves the right to terminate this Agreement without cause upon 60 days written notice to Owner. If the Agreement is terminated by Operator pursuant to this Section 8.3,

Operator shall be compensated for all Costs incurred by Operator and all unpaid fees to and including the date of such termination.

ARTICLE 9: INSURANCE

Section 9.1: *Coverage.*

- (A) Obligation to Obtain. Owner and Operator shall obtain and maintain the insurance set forth in Sections 9.1(B) and 9.1(C). Such insurance may be maintained under individual or blanket insurance policies.
- (B) Operator Coverage. Operator has procured and will maintain insurance for its protection from claims under workers' compensation, commercial general liability, automobile liability, and professional liability. Certificates of insurance will be provided if requested by the Owner.
- (C) Owner Coverage. Owner shall maintain from and after the date of this Agreement, liability insurance concerning the facility and its operations on an occurrence basis against claims for personal injury (including bodily injury and death) caused or occasioned by provision of any of the services provided by Operator under this Agreement and property damage to the Facility. Owner may provide adequate self-insurance in lieu of the requirements set forth in this Section. Owner shall name the Operator as Additional Insured on the Owner's business insurance policies, including Employment Practices Liability Insurance (EPL).

ARTICLE 10: INDEMNIFICATION AND LIABILITIES

Section 10.1: *Indemnification.*

- (A) Indemnification by Operator. Operator shall indemnify, defend and hold harmless Owner, the members thereof, and their respective officers, directors, employees, agents, affiliates and representatives (the "Owner Indemnified Parties"), from and against any and all claims (in whatever form and to the fullest extent permitted by law) arising out of or in any way connected with Operator's provision of services under this Agreement and obligations hereunder, but only to the extent of any gross negligence, fraud or willful misconduct of Operator or anyone acting on Operator's behalf or under its instructions.
- (B) Indemnification by Owner. Owner shall indemnify, defend and hold harmless Operator, its officers, directors, employees, agents, affiliates and representatives (the "Operator Indemnified Parties") from and against any and all claims (in whatever form and to the fullest extent permitted by law) arising out of or in any way connected with this Agreement and Owner's obligations hereunder, but only to the extent of any gross negligence, fraud or willful misconduct of Owner or anyone acting on Owner's behalf or under its instructions (other than Operator and its suppliers, subcontractors, vendors, and their subcontractors and vendors and any employee or agent of the foregoing).

Section 10.2: *Environmental Liability.*

- (A) Operator Liability. Operator shall not be responsible for claims directly or indirectly related to hazardous materials present at the Facility, except to the extent Operator acted with respect to such materials in a

grossly negligent manner. Owner shall defend, indemnify and hold Operator harmless against such claims, except to the extent such claims arise from Operator's grossly negligent or intentional acts.

- (B) Owner Liability. Owner shall not be responsible for claims directly related to hazardous materials at the Facility arising out of the grossly negligent or intentional acts of Operator. This provision of the Agreement shall not be construed to require Operator to take corrective action with respect to any hazardous materials at the Facility.
- (C) Hazardous Materials. The Owner hereby warrants that if it or any of its officers or employees suspect that hazardous materials may exist at the project site, the Owner, its officers or employees will so inform Operator. In the event the presence of hazardous materials is known, assumed or suspected to exist at the site, Owner shall retain the appropriate entity or consultant to address the situation and Operator shall have no responsibility for injuries, damages, fines or other costs associated with presence, destruction or removal of hazardous materials. Owner shall indemnify Operator from and against any claims or damages, including claims of negligence, that result from the presence or release of hazardous materials, waste or substances or injuries or damages that result from hazardous materials, waste or substances at the Project site.
- (D) Governmental Actions. If action is required at the Facility to comply with any applicable environmental laws during the term of this Agreement, Owner shall be responsible for the costs of compliance.

ARTICLE 11: LIMITATIONS OF LIABILITY

Section 11.1: *Limitations Of Liability.*

- (A) Consequential Damages. Notwithstanding any provision in this Agreement to the contrary, Operator and Owner each agree not to assert against the other any claim, demand or suit for consequential, incidental, indirect or special damages arising from any aspect of the performance or nonperformance of the other party or any third-party engaged by such other party under this Agreement, and each party hereto waives any such claim, demand or suit against the other in connection with this Agreement.
- (B) Personal Liability Limited. Operator and Owner each understand and agree that there shall be absolutely no personal liability on the part of any of the members, partners, officers, employees, directors, agents, authorized representatives or affiliates of Owner or Operator for the payment of any amounts due hereunder, or performance of any obligations hereunder. Operator shall look solely to the assets of Owner for the satisfaction of each and every remedy of Operator in the event of any breach by Owner. Owner shall look solely to the assets of Operator for the satisfaction of each and every remedy of Owner in the event of any breach by Operator.
- (C) Survival. The parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement, and shall apply at all times (unless otherwise expressly indicated), regardless of fault, negligence, strict liability, or breach of warranty of the party indemnified, released or whose liabilities are limited, and shall extend to the members, partners, principals, officers, employees, controlling persons, executives, directors, agents, authorized representatives, and affiliates of such party.

- (D) Indemnification. Notwithstanding any other provisions of this agreement, the Owner agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Operator, his or her officers, directors, administrators, past or present employees, agents, parent and affiliated corporations, heirs, executors, assigns and sub consultants from and against all damage, liability or cost including reasonable attorneys' fees and defense costs, arising out of or in any way connected with operating the Owners System(s), WTP(s) and/or WWTP(s) by any of the Parties above named, excepting only those damages, liabilities or costs attributed to the negligence or willful misconduct of the Operator.
- (E) Limitation of Operator's Liability. To the maximum extent permitted by law, the Owner agrees to limit the Operator's, its officers', employees', consultants', agents and insurance policies' liability for the Owner's damages to the sum of \$25,000.00 or the Operator's fee, whichever is greater. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including claims of breach of contract, breach of warranty, negligence or other tort, or otherwise.

ARTICLE 12: RESOLUTION OF DISPUTES

Section 12.1: *Mediation*. Non-binding mediation will be the preferred means of resolving any disputes arising between the Owner and Operator, as follows: Either party may initiate a dispute resolution by providing written notice to the other party setting forth the subject of the claim, dispute or controversy ("Claim") and the requested relief. The recipient of such notice shall respond within 5 business days with a written statement of its position and a recommended solution to the Claim. If the parties cannot resolve the dispute through negotiation, either party may refer the Claim to a mediation Panel consisting of a designated senior representative from each party who shall have the authority to resolve such claim or to recommend its resolution, with the representatives jointly selecting a third neutral and unaffiliated individual to serve on the Panel. No written or verbal representation made by either party in the course of any Panel proceedings or other settlement negotiations shall be deemed to be a party admission. If the representatives on the Panel are unable to resolve the dispute within three (3) weeks, either party may pursue its respective legal and equitable remedies, shall be decided by the Court of Common Pleas of Clarion County.

Section 12.2: *Continued Performance*. During the pendency of any mediation, Operator and Owner shall continue to perform their obligations under this Agreement.

ARTICLE 13: MISCELLANEOUS PROVISIONS

Section 13.1: *Force Majeure*. If either Owner or Operator is rendered wholly or partially unable to perform its obligations under this Agreement (other than payment obligations) due to a Force Majeure Event, the party affected by such Force Majeure Event shall be excused from whatever performance is impaired by such Force Majeure Event, provided that the affected party promptly, upon learning of such Force Majeure Event and ascertaining that it will affect its performance hereunder, (i) promptly gives notice to the other party stating the nature of the Force Majeure Event, its anticipated duration, and any action being taken to avoid or minimize its effect and (ii) uses its reasonable commercial efforts to remedy its inability to perform. The suspension of performance shall be of no greater scope and no longer duration than that which is necessary. No obligations of either party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence. The burden of proof shall be on the party asserting excuse from performance due to a Force Majeure Event.

Section 13.2: *Amendments.* No amendments or modifications of this Agreement shall be valid unless evidenced in writing and signed by duly authorized representatives of both parties.

Section 13.3: *Survival.* Notwithstanding any provisions herein to the contrary, the obligations set forth in Articles 7, 10, and the limitations of liabilities set forth in Article 11, shall survive in full force despite the expiration or termination of this Agreement.

Section 13.4: *No Waiver.* It is understood and agreed that any delay, waiver or omission by Owner or Operator with respect to enforcement of required performance by the other under this Agreement shall not be construed to be a waiver by Owner or Operator of any subsequent breach or default of the same or other required performance on the part of Owner or Operator.

Section 13.5: *Notices.* Notices and other communications (collectively "Notices") required or permitted under this Agreement shall be in writing and shall be given to each party at its address or fax number set forth in this Section 13.5 or at such other address or fax number as hereafter specified as provided in this Section 13.5. Notices shall be (i) delivered personally or (ii) sent by fax, electronic mail, telegraph, registered or certified mail (return receipt requested and postage prepaid), or (iii) sent by a nationally recognized overnight courier service. Notices shall be deemed to be given (A) when transmitted if sent by fax, electronic mail, or telegraph (provided the transmittal is confirmed), or (B) upon receipt by the intended recipient if given by any other means. Notices shall be sent to the following addresses:

To Operator:

**The EADS Group, Inc.
15392 Route 322
Clarion, PA 16214**

**ATTN: Joshua G. Kalp, P.E.
Tel: (814) 764-5050
E-Mail: jkalp@eadsgroup.com**

To Owner:

**Rimersburg Borough Municipal Authority
27 Main Street
Rimersburg, PA 16248**

**ATTN: Mr. Daniel Burkett, Vice
Chairman
Tel: (814) 473-6519
E-Mail: RimersburgBoro@comcast.net**

Section 13.6: *Fines and Penalties.* If during the term of this Agreement any governmental or regulatory authority or agency assesses any fines or penalties against Owner arising from anything other than Operator's willful

negligence to operate and maintain the Facility in accordance with applicable Laws, such fines and penalties shall, subject to the limitations set forth in Article 11, be the sole responsibility of the Owner.

Section 13.7: *Representations and Warranties*. Each party represents and warrants to the other party that:

- (A) such party has the full power and authority to execute, deliver and perform this Agreement and to carry out the transactions contemplated hereby; and
- (B) to the best of such party's knowledge, the execution, delivery and performance by such party of this Agreement, does not and will not materially conflict with any legal, contractual, or organizational requirement of such party; and
- (C) there are no pending or threatened legal, administrative, or other proceedings that if adversely determined, could reasonably be expected to have a material adverse effect on such party's ability to perform its obligations under this Agreement; and
- (D) the Owner, as a governmental entity, represents that this Agreement has been approved by the Owner's governing body at a lawful public meeting.

Section 13.8: *Governing Law*. This Agreement is executed and intended to be performed in the Commonwealth of Pennsylvania and the laws of the Commonwealth shall govern its operation, interpretation and effect.

Section 13.9: *Partial Invalidity*. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the rest of this Agreement shall remain in full force and effect and in no way be affected, impaired or invalidated.

Section 13.10: *Captions*. Titles or captions of Sections contained in this Agreement are inserted as a matter of convenience and for reference, and do not affect the scope or meaning of this Agreement or the intent of any provision hereof.

Section 13.11: *Operator's Authority to Supervise*. The parties hereto acknowledge and agree that Owner may be required to hire one or more contractors to perform construction or maintenance work at the facility during the term of this Agreement. Operator shall not at any time supervise, direct, control, or have authority over any such Contractor's work, nor shall Operator have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any such Contractor, or the safety precautions and programs incident thereto, for security or safety at the Facility, nor for any failure of a Contractor to comply with laws and regulations applicable to that Contractor's furnishing and performing of its work. Operator shall not be responsible for the acts or omissions of any Contractor. The Operator shall not be responsible for defects in the work of any such contractor at the Facility, and shall not be responsible for the means, methods, sequences, safety precautions or safety programs of any contractor at the Facility.

Section 13.12: *Legal Services*. Owner shall be responsible for such legal services as Owner may require or Operator may reasonably request with regard to legal issues pertaining to the Facility. Any legal services requested by Owner shall be paid directly to the provider of such services or reimbursed to Operator.

Section 13.13: *Governmental Entities*. Owner understands that Operator cannot, and does not, assure favorable or timely action by any governmental entity.

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized officers as of the date set forth in the preamble to this Agreement.

Owner: **Rimersburg Boro Municipal Authority**
By: _____
Name: **Daniel Burkett**
Title: **Vice Chairman**

Operator: **The EADS Group, Inc.**
By: _____
Name: **Joshua G. Kalp, P.E.**
Title: **Municipal / Sanitary Department Manager**

Appendix A

Scope of Operator's Services

Owner Initials	Operator Initials	Description of Responsibilities, Activities, Deliverables, and/or Reports Each party should acknowledge by initialing the appropriate box. Only items which are initialed by both the Owner and the Operator are included in the Operator's Scope of Services
1.		The Owner (or authorized representative) of the water/wastewater system understands that it is ultimately responsible for the operation of the system in compliance with PaDEP rules and regulations. <u>This responsibility cannot be delegated to the Operator</u>
2.		The Owner has hired the Operator to perform the specific duties for the operation of the water/wastewater system in accordance with PaDEP regulations.
3.		The Owner will never ask, require, or put the Operator in a position where it must falsify, submit inaccurate reports, records, and so forth, that would impact operations, permit compliance, or the Operator's license.
4.		Wastewater System Operation. The Operator will generally make two (2) visits each month for a total of four (4) on-site hours in order to operate, maintain and/or monitor the wastewater system.
5.		Alarms and Emergency Calls. The Operator shall be responsive to alarms and emergency calls 24 hours per day, 7 days per week, within approximately four (4) hours of its occurrence. The Owner understands that it must be responsive to alarms and emergency calls until the Operator can respond.
6.		The Operator shall staff the Owner's water/wastewater system using valid PaDEP Certified Operators at the level required to operate the facility.
7.		The Operator will provide job related training to the Owner's personnel in the areas including but not limited to wastewater system operations, quality, maintenance, safety, sampling, laboratory, and emergency response.
8.		The Operator will provide the Owner with written notices of issues, expenditures, or necessary actions that must be taken to keep the system in reliable operation.
9.		Based on its best professional experience and after inspection of the system, the Operator will provide an estimate of likely Capital Expenditures that might be needed during the period of service
10.		The Operator will provide a checklist to the Owner for routine monitoring, observing, inspecting, and maintaining the system
11.		Standard Operating Procedures (SOP) – Operator will prepare SOP's for approval by the Owner
12.		PaDEP Fines. The Owner is responsible to pay for Fines and Penalties in accordance with Article 13.6 of the Agreement between the Owner and Operator.
13.		Correspondence The Owner shall forward all correspondence from PaDEP and/or any other regulatory entity having jurisdiction over the Water/ Wastewater Plant to the Operator.
14.		Monthly Operating Reports (MORs) shall be submitted by the Operator to PaDEP in a timely manner. Any emergency or abnormal operating conditions shall be noted in the MORs.
15.		Discharge Monitoring Reports (DMRs) shall be submitted by the Operator to PaDEP in a timely manner Any emergency or abnormal operating conditions shall be noted in the DMRs.
16.		Daily Log – Operator will maintain & up-date on the days when on site. Entries shall include the time and date of service visits, adjustments or maintenance performed on equipment and the readings of relevant meters and or gauges.

17.		Recordkeeping —Operator will be responsible to organize, maintain, and file required records.
18.		Operation & Maintenance (O&M) Manual, Logs, Reports, and Records -- Maintain & up-date <ul style="list-style-type: none"> ▪ Operation & Maintenance Procedures (equipment, pumps, valves, instrumentation, controls, electrical, structures, tanks, etc.) ▪ Preventive Maintenance and Repair Procedures, for plant equipment and facilities ▪ Bound and Indexed Equipment Manufacturer Manuals ▪ Date and Type of Maintenance Performed ▪ Date and Results of all Sampling and Analyses Performed unless documented on a laboratory sheet
19.		Consumer Confidence Reports —Operator will up date annually for distribution by the Owner
20.		Consumer Confidence Reports —Operator will up date annually AND distribute to customers on behalf of the Owner.
21.		Notify PaDEP District Office - Operator will notify the PaDEP District Office as soon as possible if there is abnormal occurrence of water color, odor, or taste; failure to appropriately disinfect; service interruptions; actions that necessitate the issuance "Precautionary Boil Water Notices"; switching between chloramines and free chlorine; or sewage spills.
22.		Issue Precautionary Boil Water Notices —Operator will issue notices as required by PaDEP
23.		Emergency Response Plan and Vulnerability Assessment —Operator will maintain & up date per PaDEP requirements
24.		Comprehensive System Map(s) & Record Drawings —Operator will maintain & update. Water System Map shall show the location and size of water mains, valves, fire hydrants, pumping facilities, storage tanks, and interconnections with other public water systems. Wastewater System Record Drawings shall show the location and size of gravity sewer lines, force mains, low pressure lines, valves, lift stations, plants, etc.
25.		Auxiliary Standby Generator(s) —Operator will operate monthly

26.		<p>Expenditures for Preventive Maintenance and/or Basic Equipment Maintenance Preventive Maintenance means those routine and/or repetitive activities scheduled, required, or recommended by the equipment or facility manufacturer or Operator to maximize the service life of the equipment, sewer, vehicles, and facility.</p> <ul style="list-style-type: none"> * For Preventive Maintenance activities, expenditures, and/or parts costing MORE than \$ _____ Dollars; the Operator must notify the Owner <u>Verbally / In Writing (circle one)</u> _____ days before beginning maintenance; the Owner must approve the expense <u>Verbally / In Writing (circle one)</u> prior to the activity; and the Contract Operator will be reimbursed in the <u>next monthly invoice / by separate invoice (circle one)</u>. * For Preventive Maintenance activities, expenditures, and/or parts that require a THIRD PARTY VENDOR the Owner must approve the expense <u>In Writing</u> prior to the activity and agree to the disposition of the expense. * For Preventive Maintenance activities, expenditures, and/or parts costing LESS than \$ _____ Dollars; the Operator must notify the Owner <u>Verbally / In Writing (circle one)</u> _____ days before beginning maintenance; the Owner must approve the expense <u>Verbally / In Writing (circle one)</u> prior to the activity; and the Operator will be reimbursed in the <u>next monthly invoice / by separate invoice (circle one)</u>.
27.		<p>Expenditures for Equipment Repair, Parts, and/or Rehabilitation – Repairs mean to fix equipment that is broken. Maintenance is proactive whereas repairs are unscheduled maintenance to restore to sound condition after damage, breakage, or critical malfunction. Repairs are inconvenient. These Repair / Rehabilitation Expenditures (and replacements) are those items that significantly extend equipment or facility service life (equipment, tanks, facilities, or major repairs).</p> <ul style="list-style-type: none"> * Repair / Rehabilitation Expenditures that cost MORE than \$ _____ Dollars must be estimated in writing by the Operator and approved <u>In Writing</u> by the Owner prior to ANY work being performed and agree to the disposition of the expense.
28.		<p>Basic Interior Housekeeping means to maintain the aesthetics of the facilities -- in general, Owner will maintain facilities in a clean, neat, and orderly fashion. Floors shall be free of mud, debris, trash, sewage,</p>
29.		<p>Basic Exterior Maintenance means that equipment, tools, and material will be properly stored; trees and shrubs shall be kept trimmed, grass shall be maintained & mowed, and other grounds shall be free of noxious weeds, debris, trash, etc.; by the Owner.</p>

30.		Periodic Exterior Maintenance means that concrete surfaces will be pressure washed as needed, and facilities will be repainted, etc. by the Owner on an as-needed basis.
31.		Clean Accumulated Sludge & Biogrowths from treatment facilities that are in contact with raw, partially treated, or finished drinking water on a _____ basis.
32.		Rehabilitate or Repair Blistered, Chipped, or Cracked Coatings and Linings on treatment / storage facilities in contact with raw, partially treated, or finished drinking water on a _____ basis
33.		Flush Water Mains <u>Quarterly / Monthly / Annually</u> (circle one) and keep records documenting flushing.
34.		Check the Calibration of Finished Drinking Water Meters at treatment plant(s) once every _____ years
35.		Exercise Valves & Fire Hydrants once <u>every year / 2-years</u> (circle one) and keep records documenting valve and fire hydrant exercised.
36.		Test Hydropneumatic Tank Pressure Relief Valves on a _____ basis
37.		Chlorine Feed System O&M. The Operator will be responsible for cleaning scale deposits at the injector, inspecting metering pumps, maintaining adequate levels of disinfectants, and replacing tubing when needed, to facilitate adequate flow of disinfectant.
38.		Routine Customer Meter Reading. Operator will perform/ assist (circle one) with monthly customer meters
39.		Routine Customer Billing. Operator will perform/ assist (circle one) with monthly billing and collections.
40.		Water Shut-Offs & Turn-Ons. Operator will provide this service when directed to do so in writing by the Owner.
41.		Customer Meter Calibrations & Replacements. <input type="checkbox"/> The Operator will calibrate _____ (%) percent of the water meters each year. <input type="checkbox"/> The Operator will replace _____ (%) percent of the water meters each year
42.		Routine Sampling Water & Chain Of Custody will be provided by the Operator in accordance with PaDEP Permit. All Laboratory costs will be paid by the Owner.
43.		Routine Sampling Wastewater & Chain Of Custody will be provided by the Operator in accordance with PaDEP Permit. All Laboratory costs will be paid by the Owner.

APPENDIX B
AVAILABLE OPERATORS

The following employees of The EADS Group, Inc. are authorized to serve as Certified Operators in matters concerning the operation and maintenance of the Owner's Facilities, and they are authorized to sign documents regarding the Facility such as Reports, Plans, SOP, etc. and to submit such documents to Regulatory agencies on behalf of the Owner:

Name:	License #
Barry M. English, P.E.	T3938
Joshua G. Kalp, P.E.	S17071
Kyle T. Schwabenbauer	S21981
Beau W. Schettler	S22924