SEWER SERVICES AGREEMENT

THIS AGREEMENT, made this /3 // day of Sept, 1977, by and between the TOWN COMMISSIONERS OF CHARLESTOWN, a municipal corporation of the State of Maryland, hereinafter known as "Town", and the COUNTY COMMISSIONERS OF CECIL COUNTY, a body corporate of the State of Maryland, hereinafter known as "County".

WHEREAS, the County will construct and operate the North East River Advanced Wastewater Treatment Facilities, the North East Force Main (hereinafter called "Force Main"), and the North East Pumping Station, hereinafter collectively known as "Facilities"; and

WHEREAS, the Town has constructed a sewage collection system and temporary treatment lagoon; and

WHEREAS, the Environmental Protection Agency has indicated that an agreement between the Town and the County must be executed prior to a Step 3 grant offer to the County under P.L. 92-500; and

WHEREAS, the County, at no cost to the Town except as hereinafter provided, shall construct, install and maintain a force main and sewer treatment facility which shall at all times comply with State and Federal regulations.

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained to be performed by the parties hereto respectively, it is agreed as follows:

1. <u>DEFINITIONS</u>:

- A. Town Facilities those sanitary sewerage facilities erected or installed by the Town and located within the corporate limits of the Town of Charlestown.
- B. County Facilities all other sanitary sewerage facilities in the North East River sewerage system whether outside or within corporate limits of the Town of Charlestown.

2. SERVICE TO BE RENDERED:

Within 180 days from and continuing thereafter from the official date of beginning operation of the Facilities, and upon the Town hooking into the County Facilities, the County will furnish and the Town will receive and pay for, utility services as hereinafter provided.

The County shall furnish and provide to the Town, and the Town shall purchase and receive from the County, such reasonable sanitary sewer services as may be required by the Town on a 24-hour a day basis during the term of this Agreement.

The County shall be responsible for the maintenance and repair of County Facilities and the Town Facilities with County staff at no cost to the Town, except that the Town shall furnish all materials for such maintenance and repairs of the Town Facilities as they now exist or shall hereafter be modified or extended by the Town. Any major repair or maintenance of Town Facilities which is beyond the capabilities of County staff and equipment which must be accomplished by outside contractors shall be paid for by the Town at cost. The Town shall pay for all utilities required to operate the Town Facilities.

The County shall provide a convenient point or points for the Town to connect their sewerage facilities to the County's force main where requested by the Town. The Town shall be responsible for modifying their sewage pumping stations and force mains as may be required. In addition, the Town will be responsible for abandoning the interim sewage treatment plant and outfall sewer as may be required by State or Federal regulations.

3. SERVICE AREA:

The area to be served under this Agreement shall be all the area within the corporate limits of the Town on the date of execution of this Agreement. Supplemental agreements may from time to time be negotiated to cover areas to be served as may be dictated by the exigencies of the circumstances.

4. HYDRAULIC ORGANIC AND INORGANIC LOADINGS:

The Hydraulic Organic and Inorganic Loadings of the sewage from the Town shall not exceed the following limits:

- A. The total average daily amount of sewage the Town shall discharge into the Facilities and shall not exceed 71,250 gallons per day. Average daily flow shall be determined on the basis of each calendar month. The stated flow is based on an anticipated average flow of 190 gallon per equivalent user per day. As additional users are added to the Town's Facilities, the stated total average flow will be increased by 190 gallons per day for each user added.
- B. Supplemental agreements may from time to time be negotiated to cover the capabilities over 71,250 average gallons per day, as may be dictated by the exigencies of the circumstances.
- C. The sewage peak rate, characteristics (including but not limited to BOD, Suspended Solids, Chlorine Demand, Color, Temperature, etc.) shall not exceed the limitation set in the Sewer Use Ordinance to be established and adopted by the County and all the applicable State and Federal regulations.
- D. Certain materials, substances and liquids, because of their toxic nature, corrosiveness, threats to public safety, risk of structural damage, or inhibition of biological treatment processes shall be prohibited or limited from entering public sewerage systems.

5. METERING:

Gallonage of the sewage discharged from the Town shall be determined by a master meter(s) which shall be read monthly in the presence of a representative of the County and Town and signed by each as being correct. The master meter(s) shall be reliable with authorization for periodic inspection and accuracy checkout of meter and instruments by authorized representatives of County and Town. The meter(s) shall be furnished and installed by the Town at Town cost.

6. USER CHARGE SYSTEM:

The County shall develop and adopt a User Charge System for the Facilities. The Town shall be in compliance with the applicable portion of the User Charge System. The development of the User Charge System shall be in accordance with State and Federal laws. The Town shall be treated as a bulk customer and the following guidelines shall be observed in developing the system.

A. Capital Cost

- (1) The Town shall not pay any of the project costs for the Stony Run Interceptor or the North East Pumping Station.
- (2) The Town shall not pay any of the project costs for the portion of the Force Main before the connection point(s) for Town service.
- (3) The Town shall pay its pro-rata share, based on the number of users of the Facilities, of the project costs for construction of (1) the force main between the treatment plant and the point(s) where the Town connects into said force main, and (2) the treatment plant, including outfall line to the river.

B. Operation & Maintenance Costs

(1) The Town already has a User Charge System in effect. The number of users as established from time to time by the Town Ordinance shall be used and accepted by the County as the number of Town Users in computing the user charge. As the Town from time to time changes its number of Users as established in its Town Ordinance, such change shall be reported to the County within 90 days. The Town User Charge shall be based on the total number of Facility Users and only those operation and maintenance costs of the Facilities referred to in 6A(3) shall be used in computing the Town User Charge.

- (2) Town Users shall not be responsible for any operation and maintenance costs prior to the Town's hookup point(s) described in 6A(3).
- (3) The billing charge for retail customers shall not be used in computing the Town User Charge due to the fact that the Town is a bulk customer.
- (4) The County User Charge System shall be reviewed annually and adjustments, using the above guidelines as a formula, shall be made on the basis of experience and analysis of actual costs as reflected on the books of the County, which shall be made available to the Town.

7. PAYMENTS:

Payments shall be made in accordance with the guidelines established under Paragraph (6) above. Billings including Capital Charges, Operation and Maintenance Charges, and Industrial Cost Recovery, if any, shall be made on a quarterly (3 months) basis payable on receipt.

8. SEWER TREATMENT ORDINANCE:

The County shall establish and adopt a Sewer Treatment Ordinance to regulate sewer treatment in accordance with actual needs and the applicable State and Federal laws. The Town shall be in compliance with the Ordinance or shall adopt a compatible ordinance which shall meet all the requirements of County, State and Federal laws.

9. PRETREATMENT STANDARDS, SAMPLING, ANALYSIS, AND MONITORING:

The County shall establish and adopt an implementation program for the Sewer Treatment Ordinance in Pretreatment Standards, Sampling, Analysis, and Monitoring. The Town shall be in compliance with the implementation program.

10. INDUSTRIAL COST RECOVERY SYSTEM:

The County shall establish and adopt an Industrial Cost Recovery System, if required by regulation, for all

(existing) industries within the Facilities service area including the Town. The Town shall be in compliance with all requirements of the Industrial Cost Recovery System. The Town shall report to the County any proposed introduction of toxic, incompatible or significant industrial waste a minimum of six months prior to the Town's initial connection to the Facilities. The County shall nave the right of access to all industrial users in the Town for the purpose of inspection, observation, measurement, sampling and testing in accordance with the provisions to be established under this paragraph and paragraph (8) above.

Any new industry constructed within the Town service area after the initial connection to the County system shall be in accordance with the Industrial Cost Recovery System in existence at that time or a system shall be developed jointly by the County and the Town as required by regulation prior to connection of a new industry.

11. RIGHTS-OF-WAY:

- A. Right-of-way over, under and through all public streets of the Town shall be granted by the Town to the County as required for the purposes of construction, operation and maintenance of the Force Main, lying in or below such streets.
- B. The County shall indemnify and hold harmless the Town for any and all claims of liability resulting from the construction, operation and maintenance of the Force Main.
- C. The County shall promptly make any necessary repairs to streets, roads or property resulting from construction, operation and maintenance of the Force Main.
- D. The County covenants that in constructing, operating and maintaining the Force Main that it will not unreasonably obstruct or interfere with the flow of traffic.

12. RIGHTS:

No rights shall accrue to the Town in any of the facilities of the County, nor shall any such rights accrue to the County in any of the facilities of the Town.

13. TERMINATION:

The service rendered hereby shall be terminated only by mutual agreement unless one of the following shall occur:

- A. The Town as a corporate entity shall cease to exist.
- B. County shall cease to exist as a corporate entity, or;
- C. County shall be replaced by a regional or statewide agency governing and operating the facilities of County.

14. LIABILITY:

In the event of liability or claims arising from the acts or omission of any party hereto (including its officers, agents and employees), such party agrees to indemnify and save harmless the other parties hereto to the extent that such other parties have not participated in the acts or omissions giving rise to such claim or liability.

15. MODIFICATION:

The parties hereto recognize that this Agreement may not cover all of the eventualities which may occur during the long period of time which this Agreement may be in force. Consequently, modifications consisting of additions to, deletions from and/or changes in the provisions hereof may from time to time be agreed upon, but such modifications to be effective, must be by written instrument executed with the same formality as this Agreement.

16. ARBITRATION:

Should any differences arise under this Agreement, as it now exists or as it may be hereafter modified pursuant to

the aforegoing paragraph (15), which differences cannot amicably be resolved by the parties themselves, each party hereto agrees to submit such differences to a panel of three (3) disinterested arbitrators, one of whom shall be appointed by the County, one by the Town, and the third by the two arbitrators appointed as aforesaid. The panel of arbitrators so appointed shall, after due notice and hearing, decide any question submitted to it hereunder and render a final award which shall bind the parties. The provisions of CJ 3-201 to 3-234 of the Annotated Code of Maryland as now or hereafter in force shall apply.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed by their duly authorized officers and their corporate seals hereunto affixed, duly attested.

ATTEST:

TOWN COMMISSIONERS OF CHARLESTOWN

Dorio M. Berry

By: Dranford Henry

J. Cranford Henry, President

COUNTY COMMISSIONERS OF CECIL COUNTY

Mildied O. M. Luish

Approved as to form and legal sufficiency

Walter M. Baker, Town Attorney

William B. Calvert, County

Attorney

RESOLUTION OF THE

COMMISSIONERS OF CHARLESTOWN

BE IT RESOLVED by the Commissioners of Charlestown that J. Cranford Henry, President of the Commissioners of Charlestown, is hereby authorized to execute a Sewer Service Agreement on behalf of the Town of Charlestown with the County Commissioners of Cecil County.

RESOLVED this 8th day of September, 1977.

ATTEST:

THE COMMISSIONERS OF CHARLESTOWN