

Township of Upper St. Clair

THERE WILL BE A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF UPPER ST. CLAIR AT 7:30 P.M. ON MONDAY, AUGUST 4, 2025 AT THE TOWNSHIP OF UPPER ST. CLAIR MUNICIPAL BUILDING, BOARD OF COMMISSIONERS' MEETING ROOM, 1820 MCLAUGHLIN RUN ROAD, UPPER ST. CLAIR, PA 15241.

AGENDA

1. Call to Order.
2. Pledge of Allegiance.
3. Roll Call.
4. Review of the Board of Commissioners' Regular Meeting Minutes of July 7, 2025. (Minutes enclosed)
5. Comments from Citizens and Taxpayers on Matters Not Included on the Agenda.

OLD BUSINESS

6. Continued Public Hearing Re. Adoption of 2025-2035 Comprehensive Plan. (Memorandum and Resolution No. 1780 enclosed)

NEW BUSINESS

7. Recommendation Re. 2026-2030 Capital Improvement Program. (Memorandum and Resolution No. 1781 enclosed)
8. Recommendation Re. Authorization of the Transfer of the Brush Run Pump Station. (Memorandum and Resolution No. 1782 enclosed)
9. Other Business.
10. Adjournment.

BOARD OF COMMISSIONERS MEETING MINUTES

July 7, 2025

The regular meeting and public hearing of the Board of Commissioners of the Township of Upper St. Clair, duly advertised and posted in accordance with law, was called to order at 7:30 PM on Monday, July 7, 2025, at the Township of Upper St. Clair Municipal Building, Board of Commissioners' Meeting Room, Upper St. Clair, PA. The Pledge of Allegiance was recited by all present.

PRESENT:	Commissioner Paoly	President
	Commissioner Enck	Vice President
	Commissioner Burlingame	
	Commissioner Graves	
	Commissioner Pardini	
	Commissioner Thomas	
	Matthew R. Serakowski	Township Manager
	Mark P. Romito	Director of Finance
	Adam A. Benigni	Director of Community Development
	Irving S. Firman	Township Attorney
	Michael J. Galet, P.E.	Township Engineer
	Missy Fenster	Network Deposition Services
	Prudence Cooper	Recording Secretary
EXCUSED:	Commissioner Plutko	
	Mark S. Mansfield	Assistant Township Manager
PUBLIC:	15 people attended.	

RECOGNITION

Commissioner Burlingame presented Certificates of Achievement to Upper St. Clair High School Track and Field members, Sadie Tomczyk and Anna Engelman for their wins at the 2025 Western Pennsylvania Interscholastic Athletic League (WPIAL) Class AAA Girls' Track & Field Championships.

REVIEW OF BOARD OF COMMISSIONERS' REGULAR MEETING MINUTES OF JUNE 2, 2025

Commissioner Burlingame moved to approve the Regular Meeting Minutes of June 2, 2025. This was seconded by Commissioner Thomas and carried with a 6-0 voice vote.

PUBLIC COMMENTS

Ms. Denise Graham, 1382 Skyridge Drive, stated that she lives very close to the perimeter trail and frequently walks on it. She wanted to make the Board of Commissioners aware of her concerns with riders of E-bikes who go much too fast creating danger to walkers on the trail. These bikes weigh more than 100 pounds and travel more than 25 miles per hour so they should obey Pennsylvania laws. They are especially dangerous to dog walkers who cannot get their dogs out of the way of the

bikers in time. The bikers also provide no warning when approaching walkers from behind. Police patrol on quads in the morning, but they need to patrol more frequently, even after dusk. She realizes that the riders of E-bikes are having a good time, but they need to be safe. Ms. Graham suggested posting signs and making the public aware of the laws regarding E-bikes, but something needs to be done to avoid a serious potential accident. She did add that fortunately, all the bikers do wear their helmets.

Mr. Serakowski thanked Ms. Graham for her comments and shared that the Township is aware of the challenges with E-bikes in Township parks. He stated that the police are enforcing the laws and have issued citations, but he will pass along her concerns to the Police Department. Furthermore, the Township is currently developing an ordinance pertaining to E-bikes which will require enforcement of Pennsylvania laws. The Township is also conferring with Peters Township and sharing ideas regarding the issues with E-bikes. Mr. Serakowski suggested that Ms. Graham call the police if she witnesses any problems with bikers on the perimeter trail.

OLD BUSINESS

PUBLIC HEARING RE. ADOPTION OF 2025-2035 COMPREHENSIVE PLAN

Mr. Benigni stated that this is the initial public hearing on the adoption of the 2025-2035 Comprehensive Plan following an 18-month long process. After tonight's presentation, and comments and questions from the Board and the public, Staff recommends the public hearing be continued to the Board of Commissioners' meeting on August 4, 2025.

Ms. Laura Ludwig, Group Manager, Hebert, Rowland & Grubic, Inc. (HRG), the Township's consultant for the Comprehensive Plan, introduced her colleagues, Sommer Schneller and Ally Buerk.

Ms. Ludwig continued with the agenda of the presentation of the Comprehensive Plan which includes:

Tasks Completed to Date

- Staff kickoff meeting in January 2024.
- First phase – included visioning, outreach, needs assessment and strategy development. HRG got to know the community and conduct public outreach to identify the theme areas.
- Initial trends report was drafted, and a past plans review was conducted with the Planning Commission serving as the steering committee. HRG met with the Planning Commission every two months during this entire process.
- Transition from public outreach to key stakeholder meetings; theme, goal and strategy development; development of the actual Plan, public display of the Plan on May 23, 2025, and the first public hearing today, July 7th, which is the end of the 45-day review period.

Review of the Comprehensive Plan

- The chapters of the Plan are Executive Summary, Introduction, and the four key theme areas that are part of the plan: Enhancing Municipal Administrative Services, Promoting Parks & Recreation Opportunities and Amenities, Encouraging Transportation Infrastructure and Connectivity Improvements, Guiding Land Use and Environmental Best Practices, and Implementation. Each chapter will be discussed later in this presentation.

Transformation Sketch Review

- High level sketches were developed to help the community understand what some of the goals would look like. Coordination with the Planning Commission and Staff helped to reduce the original list of eight or nine improvements to the following three areas:

McLaughlin Run Corridor

- Improvements will begin with the Township owning all the land on the southern side of McLaughlin Run Road with the acquisition of the last two parcels.
- Moving and extending the Salt Shed to the other side of McLaughlin Run Road.
- Creating a multi-purpose field.
- Creating an off-road path for pedestrians and bicyclists which would connect the high school to the roundabout.
- A rough concept of what these improvements would look like was presented.

Montour Trail Connection

- Option One would connect the existing Frosty Links golf cart path with the Montour Trail making it a mixed-use pathway for bikers, pedestrians, and golf carts.
- The path would continue on to Boyce Mayview Park.
- The proposed trail would use existing rights-of-way next to the train tracks through the golf course and up to the T.A.R. self-storage area.
- Option Two would connect through the Hastings neighborhood in South Fayette or on Mayview Road to Boyce Mayview Park which would be a multi-municipal venture to create recreational opportunities.
- An artist's rendering of the mixed-use Montour Trail Connection was presented. There are existing regulations and ordinances for this kind of use; however, enforcing speed and vehicle use would be needed.

McMurray Road Corridor Connectivity

- Currently, there is not much room along McMurray Road to safely walk, especially for students walking to the high school.
- The proposed connectivity would be a multi-use path following the creek behind the commercial properties along McMurray Road and rejoining at the front of the street at McLaughlin Run Road.
- The Municipality of Bethel Park has been consulted to possibly utilize Pittsburgh Regional Transit (PRT) land to create a connection north at Drake Road.

In response to Commissioner Burlingame's inquiry, Ms. Schneller stated that although it is inherently difficult to walk from the location of the old Outback property to the school, piano key crosswalks are there to help guide pedestrians.

Public Open House Meeting Results

- The meeting was held in March 2025 with 33 residents attending.
- Allowed the public to comment on the goals and objectives of the Comprehensive Plan that was presented. Different stations and presentations were set up including transformative sketch boards, non-motorized connectivity map, an implementation voting exercise and a draft plan with a comment box.
- Votes were cast on the four key theme areas:

Enhancing Municipal Administrative Services

- Most votes were for promoting a sense of place and community and overall positive culture as well as continuing to seek grants to help fund projects and initiatives in the Township.
- The overall theme was to continue doing what the Township is already doing with library and recreation programming, and parks.

Promoting Parks & Recreation Opportunities and Amenities

- Most votes were for conducting improvement projects as needed based on the prioritized list, and conducting improvements and renovations consistent with the 2024 Community & Recreation Center Post COVID Facility Assessment.

Encouraging Transportation Infrastructure & Connectivity Improvements

- Most of the plan and transformative sketches focused on this area.
- Most votes were for exploring the feasibility of connecting to the Montour Trail from the trails in Upper St. Clair to the trailhead in Peters Township off of Valley Brook Road.
- The second most votes were for connecting neighborhoods and amenities through existing trails by providing trail spurs or trail expansions or through the construction of new sidewalks.

Guiding Land Use & Environmental Best Practices

- Most votes were for ensuring housing mix allowing aging residents to remain within the community.
- The second most votes were for participating in regional advocacy groups and other organizations that seek to improve stormwater, flooding, and other environmental concerns in the area.

Key findings from the Open House Meeting

- Attendees were generally happy with the draft Plan and felt it accurately reflected the community's needs.
- There was support for the proposed trail and sidewalk connections and additional walking and biking connections to neighboring communities.
- There should be continued coordination between the Comprehensive Plan and plans for the Community & Recreation Center.

Comments/Edits

- Public notice of the Comprehensive Plan included an online comment form along with a draft of the Plan.
- Public notices were placed as required in the newspaper and through social media.
- All neighboring municipalities, the County, and the School District received a link via email to review the draft Plan.
- Although no comments were received from the online comment form, mostly positive comments were received from Allegheny County regarding public engagement, the land use map, and assuring the Plan is implemented.
- Comments were also received from Bridgeville Borough.

Wrap-up/Next Steps

- A timeline of the steps required by the Municipal Planning Code was presented.

- The Plan officially went on public display on May 23, 2025 and the Planning Commission reviewed it at their May and June meetings and recommended it for approval, pending minor edits and revisions which have since been made.
- This meeting is the first public hearing ending the 45-day review period, and a second public hearing and adoption of the Plan will occur on August 4, 2025.

Commissioner Paoly thanked the HRG Staff for the presentation and asked for the content of Bridgeville's comments of the Plan. Ms. Ludwig responded that Bridgeville's comments were minor but did include remarks about the proposed roundabout at Bank Street, trails and stormwater. Their comments were added to the Plan.

Commissioner Paoly asked if there were any additional questions or comments from the Board or the public and there were none.

MOTION AND VOTE TO CONTINUE PUBLIC HEARING RE. ADOPTION OF 2025-2035 COMPREHENSIVE PLAN

Commissioner Enck moved to continue the Public Hearing Re. 2025-2035 Comprehensive Plan to the Regular Board of Commissioners' meeting on August 4, 2025. This was seconded by Commissioner Burlingame and carried with a 6-0 voice vote.

NEW BUSINESS

RECOMMENDATION RE. APPOINTMENT TO PARKS & RECREATION ADVISORY BOARD

Mr. Serakowski stated that there is an opening on the Parks & Recreation Advisory Board. Following recent interviews by the Board of Commissioners in February and March, Staff recommends the Board of Commissioners approve the appointment of Grant Kandabarow to the Parks & Recreation Advisory Board for a partial three-year term, expiring in 2026. This may be accomplished by a simple motion and voice vote.

Commissioner Paoly asked if there were any questions or comments from the Board or the public and there were none.

MOTION AND VOTE TO APPROVE AN APPOINTMENT TO PARKS & RECREATION ADVISORY BOARD

Commissioner Burlingame moved to approve the appointment of Grant Kandabarow to the Parks & Recreation Advisory Board for a partial term expiring in 2026. This was seconded by Commissioner Thomas and carried with a 6-0 voice vote.

OTHER BUSINESS

Commissioner Burlingame provided very positive comments regarding viewing fireworks from the new Morton Fields Complex and commended Mr. Serakowski, Mr. Benigni, and Township Staff for creating a wonderful Township event.

Commissioner Paoly stated following adjournment, the Board will be meeting for an Executive Session to discuss legal and personnel matters.

ADJOURNMENT

Following a motion for adjournment by Commissioner Burlingame and a second by Commissioner Pardini which carried with a 6-0 voice vote, the meeting was adjourned at approximately 8:05PM

Prudence Cooper
Recording Secretary
July 7, 2025

LITIGATION REPORT - SUMMARY
TOWNSHIP OF UPPER ST. CLAIR
July 2, 2025

I. CASES WHERE TOWNSHIP IS PLAINTIFF

- A. Township of Upper St. Clair vs. Francis Funaro (No. CV-99-2024) (Magistrate Arnoni)
- B. Township of Upper St. Clair v. Irene Johnovna Verzelli (No. CV-176-2024) (Magistrate Arnoni)
- C. Township of Upper St. Clair v. Remedy Development LLC (No. CV-159-2024) (Magistrate Arnoni)
- D. Township of Upper St. Clair vs. Deborah E. McPherson & David C. Mesko (No. CV-70-2025) (Magistrate Arnoni)
- E. Township of Upper St. Clair vs. Joseph J. Zelezniak & Judith A. Zelezniak (No. CV-71-2025) (Magistrate Arnoni)
- F. Township of Upper St. Clair vs. Patricia H. Odonnell
- G. Township of Upper St. Clair vs. Kerry L. Turner
- H. Township of Upper St. Clair vs. Matthew Weiss (No. CV-118-2025) (Magistrate Arnoni):

II. CASES WHERE TOWNSHIP IS DEFENDANT NOT DEFENDED BY INSURANCE CARRIER

- A. Shipleigh Plumbing LLC v. Township of Upper St. Clair (AAA Case No. 01-24-0008-2776).
- B. TBI Contracting, Inc. v. Township of Upper St. Clair and Edelmann Project Management LLC d/b/a EPM Architecture (AAA Case No. 01-24-0008-6898).

III. CASES WHERE UPPER ST. CLAIR IS DEFENDANT AND INSURANCE COMPANY IS DEFENDING

- A. Jeffrey S. Valperga et ux. vs. The Municipal Authority of the Township of Upper St. Clair, Township of Upper St. Clair, and Municipality of Bethel Park, GD 20-9879 (Allegheny County).
- B. HUD Fair Housing Complaint (Jason Depp).
- C. Estate of Stephen A. Stasenکو vs. Township of Upper St. Clair et al., GD 23-3656 (Allegheny County).
- D. Susan Shepherd as Administratrix of the Estate of Chris Shepherd vs. Township of Upper St. Clair, (GD 24-2215) (Allegheny County)

IV. **OTHER LITIGATION INCLUDING BANKRUPTCY MATTERS**

V. **LAND USE**

VI. **OTHER LEGAL MATTERS**

- A. United States Environmental Protection Agency Action Pursuant To 33 U.S.C. §138
- B. M & D Properties Board of Viewers, No. GD20-10982

MEMORANDUM

To: Matthew R. Serakowski, Township Manager

From: Adam A. Benigni, AICP, Director of Planning & Community Development

Date: July 31, 2025

Subject: CONTINUED PUBLIC HEARING RE. ADOPTION OF THE 2025-2035 COMPREHENSIVE PLAN



This hearing was continued from July 7, 2025 Board of Commissioners Regular Meeting. The 2025 Upper St. Clair Comprehensive Plan (Plan) was developed through an 18-month process guided by Herbert, Rowland & Grubic, Inc. (HRG), the Township's planning consultant. Beginning in January 2024, the process involved extensive community engagement, including public workshops, online surveys, and stakeholder meetings with residents, businesses, and civic organizations. The Planning Commission, community representatives and Township staff collaborated with HRG to analyze demographic trends, assess infrastructure needs, and identify priorities for sustainable growth.

The Plan is structured around four Key Theme areas, each with specific goals and objectives to be monitored over the next ten (10) years. These themes address critical aspects of community development, such as land use, transportation, parks and recreation, and environmental sustainability. The Plan incorporates feedback from public comments and input from neighboring communities, ensuring a collaborative approach to guide Upper St. Clair's future growth and development.

Planning Commission Recommendation

At its regular meeting on June 19, 2025, the Planning Commission completed its review of the Comprehensive Plan and recommended adoption by the Board of Commissioners.

Staff Recommendation

Provided no additional testimony is required, it is recommended that the hearing be closed and action taken to adopt the 2025 Upper St. Clair Comprehensive Plan. This can be accomplished by adoption of Resolution No. 1780.

Attachment

1. Resolution No. 1780

I:\2025 Comprehensive Plan\Continued Public Hearing - Adoption - August 4 2025\TM Memo Cont Pub Hearing 07.31.25.doc

TOWNSHIP OF UPPER ST. CLAIR

RESOLUTION NO. 1780

A RESOLUTION OF THE TOWNSHIP OF UPPER ST. CLAIR, A HOME RULE MUNICIPALITY, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, ADOPTING THE 2025 UPPER ST. CLAIR COMPREHENSIVE PLAN.

- WHEREAS, the Pennsylvania Municipalities Planning Code, Act of 1968, P.L. 805, No. 247 (hereinafter referred to as the "MPC"), requires that municipalities and counties review their comprehensive plan for future land use and growth management at least every ten years; and
- WHEREAS, the MPC further requires that the comprehensive plan contains a statement of objectives of the municipality concerning its future development, including topics related to housing, transportation, land use, community facilities and services, natural resources, historic and cultural resources, economic development, parks and recreation, and public utilities; and
- WHEREAS, the Planning Commission, as the designated Planning Agency for the Township of Upper St. Clair, with assistance from the project planning consultants, has prepared the proposed comprehensive plan known as the 2025 Upper St. Clair Comprehensive Plan, with the active participation of Township staff, residents, businesses, and others having a stake in the future growth and development of the Township; and
- WHEREAS, the Planning Commission held a public meeting on June 19, 2025 at which time comments were taken and a Final Draft was forwarded to the Board of Commissioners with a recommendation dated June 19, 2025 recommending adoption; and
- WHEREAS, public input was obtained from various public outreach events and meetings held throughout the process, an online survey, and through the official 45-day public display and comment period, along with the required public meetings and hearings; and
- WHEREAS, comments from adjacent municipalities and Allegheny County have been received and considered; and
- WHEREAS, as required by the Pennsylvania Municipalities Planning Code, the Board of Commissioners opened a duly advertised public hearing on July 7, 2025 at which time the public had the opportunity to appear and be heard, which hearing was continued to August 4, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Township of Upper St. Clair, and it is hereby resolved by the authority of the same:

THAT, the Board of Commissioners of the Township of Upper St. Clair hereby adopts, in accordance with the Pennsylvania Municipalities Planning Code, as a

Comprehensive Plan for the Township, the 2025 Upper St. Clair Comprehensive Plan, date stamp received July 28, 2025.

THAT, the Township Manager is hereby authorized to implement the components of the Comprehensive Plan.

THAT, the Township Manager is hereby authorized to prepare copies, which shall be available to the citizens of the Township and all interested parties, at a cost to be determined by the Township Manager.

ADOPTED THIS 4TH DAY OF AUGUST, 2025.

TOWNSHIP OF UPPER ST. CLAIR

ATTEST:

By _____
President, Board of Commissioners

Township Manager/Secretary

MEMORANDUM

To: Board of Commissioners
From: Matthew R. Serakowski, Township Manager
Date: August 1, 2025
Subject: **RECOMMENDATION RE. 2026-2030 CAPITAL IMPROVEMENT PROGRAM**

In accordance with Chapter 25-2 of the Township Code, a public hearing for the Five-Year Capital Improvement Program (CIP) for 2026-2030 will be held at the Board of Commissioners regular meeting on August 4, 2025. The Budget and Finance Committee of the Board of Commissioners reviewed this plan at its meeting held on July 24, 2025. Mr. Romito will make a presentation at the public hearing to outline the highlights of the CIP.

Staff recommends adoption of Resolution No. 1781 by the Board of Commissioners to update the Township's CIP for the years of 2026-2030. Adoption of this Resolution does not imply approval of any specific projects or programs included in the CIP. Such approval is only granted when funding is appropriated by separate ordinance as part of the annual budget process.

Action may be taken by a simple motion and roll call vote.



Attachment:
Resolution No. 1781

M:SharedMGR/Memos/BOC Memo – Regular Mtg 2025

TOWNSHIP OF UPPER ST. CLAIR

RESOLUTION NO. 1781

A RESOLUTION OF THE TOWNSHIP OF UPPER ST. CLAIR, A HOME RULE MUNICIPALITY, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, ADOPTING THE 2026-2030 CAPITAL IMPROVEMENT PROGRAM

WHEREAS, The Board of Commissioners adopted Resolution No. 1763 approving the 2024-2029 Capital Improvement Program on August 5, 2024, and,

WHEREAS, Section 25-2 of the Code of the Township provides that the Township Manager shall prepare and submit annually to the Board of Commissioners a five year Capital Improvement Program; and,

WHEREAS, The Board of Commissioners now desires to adopt a revised Capital Improvement Program as recommended by the Township Manager and the Budget and Finance Committee of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved by the Board of Commissioners of the Township of Upper St. Clair as follows:

THAT, The 2026-2030 Capital Improvement Program which amends and modifies the 2025-2029 Capital Improvement Program is hereby adopted; and,

THAT, The adopted document is attached to this Resolution identified as Exhibit A; and,

THAT, Adoption of the 2026-2030 Capital Improvement Program in accordance with the Code of the Township does not imply that the Board of Commissioners hereby approves any specific project or program contained therein for implementation, unless or until funds for such project or program are appropriated by ordinance in accordance with the Code of the Township.

ADOPTED this 4th DAY of AUGUST, 2025.

TOWNSHIP OF UPPER ST. CLAIR

By _____
President, Board of Commissioners

ATTEST:

Township Manager/Secretary

MEMORANDUM

To: **Matthew R. Serakowski, Township Manager**
From: **Adam A. Benigni, Director of Planning and Community Development**
Date: **July 31, 2025**



Subject: **RECOMMENDATION RE. AUTHORIZATION OF THE TRANSFER OF THE BRUSH RUN PUMP STATION**

Resolution No. 1782 and its supporting documents will enable the Township to complete and sign the legal agreements required to transfer ownership of the Brush Run Pump Station to the Allegheny County Sanitary Authority (ALCOSAN). This transfer aligns with ALCOSAN's regionalization efforts as mandated by its Consent Decree with the U.S. Environmental Protection Agency (EPA).

Below is a bullet-point list summarizing the responsibilities of the Township of Upper St. Clair and the Allegheny County Sanitary Authority (ALCOSAN) following the transfer of the Brush Run Pump Station as outlined in the provided documents.

Township of Upper St. Clair Responsibilities:

- **Retained Liabilities:** Retain and discharge all Retained Liabilities, including liabilities from prior ownership/operation of the Brush Run Pump Station, debts, employee obligations, and liabilities from services or projects performed by or for the Township, expiring after 12 years unless involving fraud, willful misconduct, or gross negligence (Section 2.5).
- **Indemnification:** Indemnify ALCOSAN for damages arising from Retained Liabilities, Excluded Assets, non-public and public title defects, misrepresentations, or breaches of warranty, as per the indemnification procedures in Exhibit J (Section 7.2).
- **Title and Deed:** Convey title to the Property (721 Circle Dr., 0.525 acres, Tax Parcel No. 0776-B-000004-0000-00) via a special warranty deed, free of encumbrances except Permitted Encumbrances (e.g., zoning ordinances, utility easements, prior mineral grants) (Sections 3.1, 6.2(a)).
- **Closing Deliverables:**
 - Special warranty deed in recordable form (Exhibit D, Section 6.2(a)).
 - Owner's affidavit to remove standard title exceptions (Section 6.2(b)).
 - Bill of Transfer for the Facility, Supplies, and Records (Section 6.2(d), Exhibit H).
 - Assignment and Assumption Agreement for Assigned Permits, Contracts, and Warranties (Section 6.2(e), Exhibit I).
 - Post-Closing Repair and Reimbursement Agreement for incomplete repairs (Section 6.2(f), Exhibit G).
 - Brush Run Trunk Line Transfer Agreement and related closing documents (Section 6.2(i)).
 - Certificates confirming representations/warranties and governing body approval (Sections 6.2(j), 6.2(k)).
- **Repairs and Reimbursement:** Complete significant defect repairs per the Defect Report (Exhibit E) before closing, except for Post-Closing Repairs (Exhibit F), and reimburse

ALCOSAN for agreed-upon costs of Post-Closing Repairs in 12 monthly installments or up to 36 with interest if a Financing Election is made within 10 days post-closing (Sections 4.11, 6.2(f), Exhibit G).

- **Permits and Contracts:** Cooperate to transfer Assigned Permits and Contracts to ALCOSAN, execute documents to appoint ALCOSAN as operator under permits, and obtain required consents (Sections 8.1, 8.2, Schedule 4.3).
- **Records and Warranties:** Transfer all Records (e.g., plans, blueprints, inspection records) and assignable Warranties related to the Facility, Property, and Supplies (Sections 2.1(e), 2.1(f), Schedules 2.1(e), 2.1(f)).
- **Financial Obligations:** Pay 50% of realty transfer taxes, all costs to clear title, counsel fees, costs for Required Consents, and deed preparation/recording costs (Section 3.2). The Township and ALCOSAN will each contribute \$28,594.61, splitting the cost 50/50, toward improvements to address code/regulation requirements and update outdated equipment.
- **Title Objection Resolution:** Address Title Objection Matters within 30 days of ALCOSAN's Title Objection Notice, or risk ALCOSAN terminating the Agreement or accepting title as-is (Section 3.2).
- **Environmental Compliance:** Ensure the Property and Facility comply with Environmental Laws, disclose any Hazardous Materials issues, and confirm no underground storage tanks exist, except as noted in Schedule 4.10 (Section 4.10).
- **Further Assurances:** Execute additional documents and provide materials post-closing as reasonably requested by ALCOSAN to effectuate the transfer (Section 9.8).

ALCOSAN Responsibilities:

- **Assumed Liabilities:** Assume and perform duties for operation, maintenance, repair, and future upgrades of the Brush Run Pump Station and associated assets post-closing, per the Transfer Agreement and Municipal Feasibility Study (Section 2.3(b)).
- **Indemnification:** Indemnify the Township for damages from Assumed Liabilities, failure to perform under the Agreement, or misrepresentations/breaches of warranty, per Exhibit J procedures (Section 7.1).
- **Closing Deliverables:**
 - Executed special warranty deed (Section 6.3(a)).
 - Documents required by the Title Company for closing and Title Policy issuance (Section 6.3(b)).
 - Settlement Statement (Section 6.3(c)).
 - Bill of Transfer (Section 6.3(d), Exhibit H).
 - Assignment and Assumption Agreement for Assigned Permits, Contracts, and Warranties (Section 6.3(e), Exhibit I).
 - Post-Closing Repair and Reimbursement Agreement (Section 6.3(f), Exhibit G).
- **Due Diligence and Title Review:** Conduct due diligence and title review within 120 days post-Effective Date, with the option to terminate the Agreement if unsatisfied with title or due diligence results (Sections 3.2, 3.3).
- **Repairs:** Complete Post-Closing Repairs (Exhibit F) at its discretion, with Township reimbursement for agreed-upon costs (Section 4.11, Exhibit G).
- **Financial Obligations:** Pay its counsel fees, due diligence costs, survey costs, 50% of realty

- transfer taxes, and recordation costs (except for title-clearing instruments) (Section 3.2).
- **Permits and Contracts:** Determine which Permits and Contracts to assume, cooperate to secure their transfer or re-issuance, and obtain necessary consents (Sections 8.1, 8.2).
 - **Property Access:** Maintain the Property free of liens from due diligence activities, repair any damage caused during reviews, and maintain required insurance (workers' compensation, employer's liability, general liability) during due diligence (Section 3.4).
 - **Further Assurances:** Execute additional documents and provide materials post-closing as reasonably requested by the Township to effectuate the transfer (Section 9.8).
 - **Brush Run Trunk Line Transfer:** Execute the Brush Run Trunk Line Transfer Agreement and related documents, ensuring regulatory approvals (e.g., DEP) for permit transfers (Section 6.4(d)).

Resolution No. 1782 authorizes the appropriate Township Officials to execute the necessary documents to transfer the Brush Run Pump Station. This Resolution may be adopted by a simple motion and roll call vote.

Attachments

1. Resolution No. 1782
2. Exhibit A – Transfer Agreement

I:\Trunk Line Transfer Agreements\Painters Run\Discussion Re Painters Run Transfer 05.23.25.doc

TOWNSHIP OF UPPER ST. CLAIR

RESOLUTION NO. 1782

A RESOLUTION OF THE TOWNSHIP OF UPPER ST. CLAIR, A HOME RULE MUNICIPALITY, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE TRANSFER OF THE BRUSH RUN PUMP STATION TO ALCOSAN AND AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO EXECUTE THE TRANSFER AGREEMENT AND RELATED DOCUMENTS, INSTRUMENTS AND AGREEMENTS TO EFFECTUATE THE TRANSFER.

WHEREAS, The Allegheny County Sanitary Authority ("ALCOSAN") entered into a Consent Decree (the "Consent Decree") with the United States Environmental Protection Agency (the "EPA"), the Pennsylvania Department of Environmental Protection (the "DEP") and the Allegheny County Health Department (the "ACHD"), which was approved by the United States District Court for the Western District of Pennsylvania on January 23, 2008; and

WHEREAS, the Consent Decree requires ALCOSAN to eliminate dry weather discharges and sanitary sewer overflows from its system, reduce combined sewer overflows from its system in accordance with the EPA's combined sewer overflow policy, and build adequate sewer infrastructure to achieve these goals; and

WHEREAS, ALCOSAN must prepare a regional long-term wet weather control plan (the "Wet Weather Plan") that identifies remedial controls and activities needed to comply with the Consent Decree requirements; and

WHEREAS, the Township of Upper St. Clair (the "Township") is a customer of ALCOSAN and owns the Brush Run Pump Station located at 721 Circle Drive, Upper St. Clair, PA 15241 (the "Asset"); and

WHEREAS, the Township entered into a Consent Order (the "Consent Order") with the ACHD on January 28, 2022 imposing on the Township certain obligations with respect to its sewer system that are consistent with and in furtherance of the purposes of the Wet Weather Plan; and

WHEREAS, the Township and ALCOSAN have had discussions with respect to the Township transferring the Brush Run Multi-Municipal Interceptor Sewer Line and the Brush Run Pump Station to ALCOSAN; and

WHEREAS, the Township negotiated a Transfer Agreement and certain related documents, instruments and agreements specific to the Brush Run Pump Station with ALCOSAN; and

WHEREAS, the Township desires to execute the Transfer Agreement substantially in the form attached hereto as **Exhibit A** and certain related documents, instruments and agreements specific to the Brush Run Pump Station and transfer the Brush Run Pump Station to ALCOSAN; and

WHEREAS, ALCOSAN and the Township are finalizing certain attachments and exhibits to the Agreement; and

WHEREAS, the Board of Commissioners of the Township of Upper St. Clair desire to authorize the execution of the Transfer Agreement along with any related documents, instruments and agreements when they are finalized and to transfer the Asset to ALCOSAN.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Township of Upper St. Clair as follows:

THAT, The statements set forth in the preamble of this of this Resolution are specifically incorporated herein; and

THAT, The Board of Commissioners of the Township hereby authorizes the transfer of the Brush Run Pump Station to ALCOSAN; and,

THAT, The President of the Board of Commissioners, Township Manager and the Township Attorney may execute the finalized Transfer Agreement on behalf of the Township along with any related documents, instruments and agreements, including, but not limited to a Special Warranty Deed, a Post-Closing Repair and Reimbursement Agreement, Bill of Transfer, Assignment and Assumption Agreement, to effectuate this Resolution by transferring the Asset to ALCOSAN; and

THAT, The proper officers, officials and agents of the Township are authorized to take any and all appropriate actions to effectuate this Resolution to effectuate this Resolution by transferring the Asset to ALCOSAN; and

THAT, If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution. The remaining provisions of this Resolution shall remain in full force and effect; and

THAT, Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed insofar as the same affects this Resolution; and

THAT, This Resolution shall take effect immediately.

ADOPTED THIS 4TH DAY OF AUGUST 2025.

TOWNSHIP OF UPPER ST. CLAIR

By _____
President, Board of Commissioners

ATTEST:

Township Manager/Secretary

TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

THIS TRANSFER AGREEMENT (BRUSH RUN PUMP STATION) (this "Agreement") is made as of _____, 2025 (the "Effective Date"), by and between the ALLEGHENY COUNTY SANITARY AUTHORITY, a municipal authority organized under the Municipality Authorities Act, as amended, 53 Pa. C.S.A. §§ 5601-5623 ("ALCOSAN"), and the TOWNSHIP OF UPPER ST. CLAIR, a home rule municipality situated in Allegheny County, Pennsylvania ("Municipality") (each of ALCOSAN and Municipality, a "Party," and together, the "Parties").

WITNESSETH:

WHEREAS, ALCOSAN provides wastewater treatment services to 83 communities in the Commonwealth of Pennsylvania, including Municipality; and

WHEREAS, ALCOSAN entered into a Consent Decree with the U.S. Environmental Protection Agency (the "EPA"), the Pennsylvania Department of Environmental Protection (the "DEP") and the Allegheny County Health Department (the "ACHD"), which was approved by the U.S. District Court for the Western District of Pennsylvania on January 23, 2008; and

WHEREAS, the Consent Decree requires ALCOSAN to eliminate dry weather discharges and sanitary sewer overflows from its system, reduce combined sewer overflows from its system in accordance with the EPA's combined sewer overflow policy, and build adequate sewer infrastructure to achieve these goals; and

WHEREAS, ALCOSAN has adopted a regional long-term wet weather control plan (the "Clean Water Plan") that identifies remedial controls and activities needed to comply with the Consent Decree requirements; and

WHEREAS, ALCOSAN also entered into a Modified Consent Decree with the EPA, the DEP and the ACHD (the "Modified Consent Decree"), which was lodged with the U.S. District Court for the Western District of Pennsylvania on September 19, 2019; and

WHEREAS, the Modified Consent Decree requires ALCOSAN to undertake good faith efforts to take responsibility for at least 200 miles of intermunicipal sewers and associated facilities by January 31, 2020; and

WHEREAS, Municipality owns a certain pump station facility (POC C-55-02), as generally described in **Exhibit A** (the "Facility"), and its associated real property situated at 721 Circle Dr., Upper St. Clair, PA 15241, consisting of approximately 0.525 acres, Tax Parcel No. 0776-B-00004-0000-00 (the "Property"), as generally described and/or depicted in **Exhibit B**; and

WHEREAS, Municipality also owns a certain inter-municipal trunk sewer line and associated manholes identified as POC 55-C-02 (collectively, the "Brush Run Trunk Line"), as generally depicted on **Exhibit C**, which Brush Run Trunk Line is connected to the Facility; and

WHEREAS, Municipality entered into a Consent Order and Agreement with the ACHD dated January 28, 2022, imposing on Municipality certain obligations with respect to its sewer

EXHIBIT
A

systems that are consistent with and in furtherance of the purposes of the Clean Water Plan (the "Consent Order"); and

WHEREAS, the Parties acknowledge that fulfillment of the Clean Water Plan and satisfaction of certain aspects of the Consent Order can be most efficiently undertaken if the Facility and the Property are owned and operated by ALCOSAN; and

WHEREAS, Municipality desires to transfer to ALCOSAN the Facility, the Property, all associated governmental permits and licenses, and all associated contracts and warranties, and ALCOSAN desires to acquire them from Municipality, on the terms and subject to the conditions of this Agreement; and

WHEREAS, the Parties also mutually desire that following the transfer of the Facility and the Property to ALCOSAN, ALCOSAN will make certain repairs to the Facility that would otherwise be the responsibility of Municipality, a portion of the cost of which will be reimbursed to ALCOSAN by Municipality; and

WHEREAS, the conveyance of the Facility and the Property will be conditional upon, among other things, ALCOSAN's acquisition of the Brush Run Trunk Line from Municipality pursuant to a separate transfer agreement contemplated to be entered into among them (the "Brush Run Trunk Line Transfer Agreement," and such transaction, the "Brush Run Trunk Line Transfer"), to be effectuated simultaneously with ALCOSAN's acquisition of the Facility and the Property from Municipality pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound, the Parties hereby covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions. Unless otherwise defined in this Agreement or the context otherwise requires, the terms or words defined in this **Article 1** and other terms or words defined in this Agreement, whenever used in this Agreement, shall have the meaning specified in this **Article 1** for all purposes of this Agreement, applicable to both the singular and plural forms of any of the terms or words defined in this Agreement.

"Action" shall mean and include any actual or threatened claim, action, order, consent order, decree, agreement, suit, arbitration, hearing, inquiry, proceeding, complaint, charge or investigation by or before any court or other Governmental Authority or arbitrator, and any appeal from any of the foregoing.

"ACHD" shall have the meaning set forth in the recitals.

"Agreement" shall have the meaning set forth in the preamble.

"ALCOSAN" shall have the meaning set forth in the preamble.

"ALCOSAN Representatives" shall have the meaning set forth in **Section 3.3**.

“Assignment and Assumption Agreement” shall have the meaning set forth in **Section 6.2(g)**.

“Assumed Liabilities” shall have the meaning set forth in **Section 2.4**.

“Bill of Transfer” shall have the meaning set forth in **Section 6.2(f)**.

“Brush Run Trunk Line” shall have the meaning set forth in the recitals.

“Brush Run Trunk Line Transfer” shall have the meaning set forth in the recitals.

“Brush Run Trunk Line Transfer Agreement” shall have the meaning set forth in the recitals.

“Clean Water Plan” shall have the meaning set forth in the recitals.

“Cleanup” shall mean all actions to: (i) cleanup, remove, treat, monitor, assess, contain or remediate Hazardous Materials in the Environment; (ii) prevent the release of Hazardous Materials so that they do not migrate, endanger or threaten to endanger public health or welfare or the Environment; (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care; (iv) respond to any requests of Governmental Authorities for information or documents regarding any Hazardous Materials; or (v) otherwise address or respond to a release of Hazardous Materials.

“Closing” shall have the meaning set forth in **Section 6.1**.

“Closing Contingencies” shall have the meaning set forth in **Section 6.4**.

“Closing Date” shall have the meaning set forth in **Section 6.1**.

“Consent Decree” shall have the meaning set forth in the recitals.

“Contracts” shall have the meaning set forth in **Section 2.1(d)**.

“Consent Order” shall have the meaning set forth in the recitals.

“Contemplated Transactions” shall have the meaning set forth in **Section 3.2**.

“Damages” shall mean any damages (including damage or harm to the Environment), losses, liabilities, costs (including costs of environmental remediation) and expenses (including reasonable attorneys’ fees and court costs), deficiencies, claims, awards, judgments, settlements, interest, Actions, fines and/or penalties, of any kind whatsoever, in law or in equity.

“Deed” shall have the meaning set forth in **Section 3.1**.

“Defect Report” shall mean the report prepared by ALCOSAN and delivered to Municipality that identifies significant defects with respect to the Included Assets requiring Municipality’s repair and rehabilitation.

“DEP” shall have the meaning set forth in the recitals.

“Effective Date” shall have the meaning set forth in the preamble.

“Encumbrances” shall mean and include any and all types or kinds of liens, charges, claims, encumbrances, adverse claims, security interests upon property, or claims or demands of any kind whatsoever, arising in any manner from or relating to this Agreement, the Included Assets or any work, project, services or activities performed under or in connection with the Included Assets or related agreements.

“Environment” shall mean soil, land surface or subsurface strata, surface waters (including navigable waters and ocean waters), groundwaters, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life and any other environmental medium or natural resource.

“Environmental Laws” shall mean all Laws concerning human health and safety, pollution or the protection, restoration or remediation of, or prevention of harm to, the Environment or natural resources, including Laws relating to: (i) the exposure to, or releases or threatened releases of, Hazardous Materials; (ii) the generation, manufacture, processing, distribution, use, treatment, containment, disposal, storage, transport or handling of Hazardous Materials; or (iii) recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Materials.

“EPA” shall have the meaning set forth in the recitals.

“Excluded Assets” shall have the meaning set forth in **Section 2.2**.

“Facility” shall have the meaning set forth in the recitals.

“Facility Personnel” shall have the meaning set forth in **Section 3.3**.

“Governmental Authority” shall mean any federal, state, local, foreign or other court, board, body, commission, agency, authority or instrumentality, arbitral authority, self-regulatory authority, mediator or tribunal, including regulatory authorities and taxing authorities.

“Hazardous Materials” shall mean: (i) any material, gas, substance, chemical or waste (or combination thereof) that (A) is listed, defined, designated, regulated or classified as hazardous, toxic, radioactive, dangerous, a pollutant, a contaminant, petroleum, oil, or words of similar meaning or effect under any Law relating to pollution, waste, or the Environment, or (B) can form the basis of any liability under any Environmental Law; and (ii) any petroleum, petroleum products, per-and polyfluoroalkyl substances (including PFAs, PFOA, PFOS, Gen X, and PFBs), polychlorinated biphenyls (PCBs), asbestos and asbestos-containing materials, radon, mold, fungi and other substances, including related precursors and breakdown products.

“Included Assets” shall have the meaning set forth in **Section 2.1**.

“Laws” shall mean and include any and all federal, state, local and cross-jurisdictional laws, rules, codes, ordinances, regulations, circulars, and orders of any Governmental Authority (including court).

“Modified Consent Decree” shall have the meaning set forth in the recitals.

“Monetary Encumbrances” shall have the meaning set forth in **Section 3.2**.

“Municipal Feasibility Study” shall mean that certain Feasibility Study Report of Municipality, as submitted to applicable Regulatory Agencies in July 2013, as amended from time to time.

“Municipality” shall have the meaning set forth in the preamble.

“Municipality’s Knowledge” shall mean the knowledge and belief of the management level employees and technical professionals acting as agents of Municipality, each exercising due and reasonable care, with the understanding that such Persons have examined such sources of information within the possession, custody and control of Municipality and made such additional investigation as would be reasonable under the circumstances in order to verify the truth and accuracy of such representations and warranties.

“Party” and “Parties” shall have the meanings set forth in the preamble.

“Permits” shall mean all permits, licenses, franchises, authorizations, certificates, registrations, consents, orders, variances, waivers and approvals issued or granted by any Governmental Authorities to Municipality, or pursuant to which Municipality operate, that relate specifically to the Included Assets.

“Permitted Encumbrance” shall have the meaning set forth in **Section 3.1**.

“Person” shall mean a natural person, corporation, municipality, Governmental Authority, general or limited partnership, limited liability company, joint venture, trust, estate, association or any other legal entity or organization.

“Post-Closing Repair and Reimbursement Agreement” shall have the meaning set forth in **Section 4.11**.

“Post-Closing Repairs” shall have the meaning set forth in **Section 4.11**.

“Regulatory Agencies” shall mean the EPA, the DEP and the ACHD.

“Released Claims” shall have the meaning set forth in **Section 9.10**.

“Released Parties” shall have the meaning set forth in **Section 9.10**.

“Releasing Parties” shall have the meaning set forth in **Section 9.10**.

“Repair Plan” shall mean, as applicable, any plan for repair and rehabilitation of the Included Assets prepared by Municipality and delivered to ALCOSAN in response to the Defect Report.

“Required Consents” shall have the meaning set forth in **Section 4.3**.

“Retained Liabilities” shall mean all liabilities, responsibilities and obligations of Municipality other than the Assumed Liabilities, including the following: (i) all liabilities arising out of or relating to services, work or projects performed by or on behalf of Municipality; (ii) all debts, covenants, liabilities and obligations for the payment of sums to bondholders or creditors in connection with general obligation bonds, loans or other instruments; (iii) all liabilities to any employee of Municipality under any contracts, agreements or plans or benefits, or relating to payroll, vacation, sick leave, severance, termination, retention, worker’s compensation, unemployment benefits, pension benefits, health care plans or benefits or any other employee plans or benefits of any kind for employees or former employees (or both) of Municipality; (iv) all liabilities arising out of or relating to any contracts made or services, work, projects, supplies or materials provided by or on behalf of Municipality; (v) all liabilities arising out of or connected with any breach or alleged breach of or in connection with contracts made by or on behalf of Municipality regarding or relating to the Included Assets or violation of any Laws by Municipality; (vi) any and all liabilities for any Actions, Encumbrances, claims, suits or demands of any kind asserted, brought or filed by any Person arising out of or connected with any negligence or willful misconduct of Municipality or its operation of the Included Assets; (vii) the responsibilities and liabilities of Municipality under the Brush Run Trunk Line Transfer Agreement; (viii) under or pertaining to Permits that are retained by Municipality; or (ix) under or pertaining to Permits that are assigned to ALCOSAN but which exist prior to Closing.

“Review Period” shall have the meaning set forth in **Section 3.2**.

“Settlement Statement” shall have the meaning set forth in **Section 6.2(d)**.

“Supplies” shall mean all supplies, stocks and inventories of chemicals, materials, goods and spare and replacement parts and equipment, in each case held by Municipality for use in or for the Facility or the Property.

“Survey” shall have the meaning set forth in **Section 3.2**.

“Surviving Obligations” shall have the meaning set forth in **Section 3.4**.

“Title Commitment” shall have the meaning set forth in **Section 3.2**.

“Title Company” shall have the meaning set forth in **Section 3.2**.

“Title Policy” shall have the meaning set forth in **Section 3.2**.

“Title Objection Cure Period” shall have the meaning set forth in **Section 3.2**.

“Title Objection Matters” shall have the meaning set forth in **Section 3.2**.

“Title Objection Notice” shall have the meaning set forth in **Section 3.2**.

“Transaction Documents” shall have the meaning set forth in **Section 6.3**.

1.2 The word “include” shall mean “include, without limitation,” and the word “including” shall mean “including, but not limited to.”

1.3 The words “and” or “or” shall mean and include both the conjunctive and the disjunctive whenever necessary or advisable to give the provision its intended meaning and effect.

1.4 Except as otherwise clearly indicated, all references herein to articles, sections (or subdivisions of sections), exhibits or schedules are to articles, sections (or subdivisions of sections), exhibits or schedules of or to this Agreement.

ARTICLE 2 - TRANSFER OF INCLUDED ASSETS

2.1 Transfer of Included Assets. At Closing, Municipality shall transfer, convey, assign and deliver to ALCOSAN all of the rights, title and interest of Municipality in and to the following (collectively, the “Included Assets”):

(a) the Facility, including all associated machinery, equipment, fixtures, Supplies and other personal property of any and every kind owned by Municipality and used in the operation and maintenance of the Facility;

(b) the Property, subject to the Permitted Encumbrances;

(c) to the extent legally transferable, all Permits associated with the Facility and/or the Property that are owned, held, possessed or entitled in the name of Municipality or in which Municipality has rights, as listed on **Schedule 2.1(c)**, except for and excluding (i) those that ALCOSAN declines to accept pursuant to **Section 8.1**, and (ii) the Retained Liabilities;

(d) all contracts and agreements to which Municipality is party associated with the Facility and/or the Property, as listed on **Schedule 2.1(d)** (the “Contracts”), except for and excluding the Brush Run Trunk Line Transfer Agreement, the Consent Order, those others that ALCOSAN declines to accept pursuant to **Section 8.2**, and the Retained Liabilities;

(e) copies of all files, information, books, plans, blueprints, maps, diagrams, drawings, ledgers, logs, surveys, reports, instruments, real estate records, surveys, title abstracts, engineering information, inspection records, books of account and other management documents, resolutions, rules and regulations, and all other records relating to the Facility and/or the Property, in the possession or control of Municipality (collectively, the “Records”), including those listed on **Schedule 2.1(e)**; and

(f) all assignable warranties, indemnities and guarantees of which Municipality is the beneficiary (if any), related to or necessary for the operation of the Facility, the Property and/or the Supplies, including those listed on **Schedule 2.1(f)** (the “Warranties”).

2.2 Excluded Assets. Notwithstanding any other provision hereof, the Included Assets do not include any assets listed on **Schedule 2.2** (the “Excluded Assets”).

2.3 Consideration. The consideration for the transfer of the Included Assets from Municipality to ALCOSAN shall be (a) One Dollar (\$1.00), (b) ALCOSAN’s assumption of the Assumed Liabilities, (c) the execution and delivery of the other Transaction Documents by the applicable Parties, and (d) the performance of the obligations set forth in this Agreement by the applicable Parties. The Parties acknowledge and agree that the consideration provided for in this Agreement represents fair consideration and reasonable equivalent value for the transfer of the Included Assets and the transactions, covenants and agreements set forth in this Agreement, which consideration was agreed upon as the result of arm’s length good faith negotiations between ALCOSAN and Municipality and their respective legal counsel and other representatives.

2.4 Assumed Liabilities. Subject to **Section 2.5** and all other terms and conditions in this Agreement, ALCOSAN shall assume, implement, perform and discharge only those duties, liabilities, obligations, and responsibilities of Municipality as they pertain exclusively to the Included Assets arising after the Closing Date (collectively, the “Assumed Liabilities”), including (in each case only to the extent arising after the Closing Date): (a) all work relating to the operation, inspection, maintenance/repair and replacement of the Facility after Closing; (b) all measures relating to the future upgrade of the Included Assets in the Municipal Feasibility Study, subject to and in accordance with the Modified Consent Decree; and (c) all work relating to the design, installation, operation, inspection and maintenance/repair of any project proposed in the Municipal Feasibility Study for new or upgraded facilities specified to address performance or capacity issues relating to the Included Assets that has been approved by the Regulatory Agencies in a legally binding document, including a consent order if necessary; **provided, however**, that if ALCOSAN obtains approval from the Regulatory Agencies to eliminate the proposed project or defer or implement a modification of the originally proposed project, then ALCOSAN shall not be required to complete such project or shall complete such project as modified. Municipality acknowledges and agrees that following the transfer, ALCOSAN may negotiate with the Regulatory Agencies, for the purpose of complying with its Modified Consent Decree obligations in a cost effective manner and realizing the benefits of regionalization, any project or projects, including the scope and schedule thereof, originally proposed in the Municipal Feasibility Study that relate directly or exclusively to the Included Assets, which may result in the elimination, deferral, or modification of the project or projects proposed in the Municipal Feasibility Study. For the avoidance of doubt, this **Section 2.4** is not intended to expand any obligations of Municipality under the Municipal Feasibility Study.

2.5 Retained Liabilities. Municipality shall retain, remain and be solely responsible for the timely and complete payment, performance and discharge of all of the Retained Liabilities.

ARTICLE 3 - CONDITION OF TITLE TO PROPERTY; DUE DILIGENCE REVIEW

3.1 Condition of Title to Property. Title to the Property shall be conveyed by Municipality to ALCOSAN by special warranty deed in the form attached as **Exhibit D** (the “Deed”), free and clear of Encumbrances, subject, however, to the following (the “Permitted Encumbrances”): (a) zoning ordinances and regulations; (b) water, sewer, gas, electric, telecommunications, and other utility and service lines or easements therefor of record or as presently

installed; (c) prior grants, reservations or leases of coal, oil, gas or other minerals (other than those of Municipality or any affiliates thereof); and (d) all other liens, covenants, restrictions, encumbrances, easements, leases, tenancies, claims or rights of use or possession and other title conditions or matters of record that ALCOSAN has failed to object to in a Title Objection Notice or is deemed to have waived its right to object to through failure to deliver a timely Title Objection Notice pursuant to **Section 3.2**.

3.2 Title Insurance Commitment and Survey. For a period of one hundred twenty (120) days after the Effective Date (the "Review Period"), ALCOSAN shall have the right, but not the obligation, to review the condition of title to the Property. ALCOSAN, at its sole discretion, may obtain a commitment (the "Title Commitment") for an owner's policy of title insurance to be issued for the Property (a "Title Policy") by a title agent selected by ALCOSAN (the "Title Company"). During the Review Period, ALCOSAN shall also have the right to obtain a survey of the Property (the "Survey"). In the event that the Title Commitment and/or the Survey discloses exceptions to title, other than standard or general exceptions, that are not acceptable to ALCOSAN, ALCOSAN shall so notify Municipality, including therein copies of the Title Commitment, the Survey, and all documents constituting the relevant exception(s) (a "Title Objection Notice," and the title matters specified therein, "Title Objection Matters") no later than 5:00 p.m. ET on the last day of the Review Period; **provided, however**, that irrespective of whether ALCOSAN delivers a Title Objection Notice, or the Title Objection Matters specified therein, Municipality shall be obligated to obtain the release or discharge, at or prior to Closing, of any mortgage, financing statement, tax lien, mechanic's lien or other monetary Encumbrance on the Property (collectively, "Monetary Encumbrances"). ALCOSAN's failure to deliver a timely Title Objection Notice shall constitute an irrevocable waiver and release of its right to object to any matter specified in the Title Commitment, the Survey or any other matter pertaining to title to the Property except for Monetary Encumbrances. Municipality shall have ten (10) days after receipt of a Title Objection Notice to give ALCOSAN notice that (a) Municipality elects to cause the Title Objection Matters to be terminated of record or otherwise resolved to the reasonable satisfaction of ALCOSAN prior to Closing, or (b) Municipality does not elect to have such Title Objection Matters terminated of record or resolved to the reasonable satisfaction of ALCOSAN, any such election being in Municipality's sole and absolute discretion (except as to Monetary Encumbrances); **provided, however**, that if Municipality does not so notify ALCOSAN within the requisite period, Municipality shall be deemed to have elected clause (a) above. If Municipality gives ALCOSAN notice under clause (b) above, ALCOSAN shall have thirty (30) days after receipt of such notice to elect, by notice to Municipality, to either (i) proceed with the transfer of the Property subject to such Title Objection Matters, or (ii) terminate this Agreement, and in the latter event, neither Party shall have any further duties or obligations hereunder except for the Surviving Obligations; **provided, however**, that if ALCOSAN does not so notify Municipality within the requisite period, ALCOSAN shall be deemed to have elected clause (ii) above. If Municipality notifies ALCOSAN that it will cause Title Objection Matters to be terminated of record or resolved to the reasonable satisfaction of ALCOSAN (or Municipality is deemed to have so elected as discussed above), Municipality shall exercise commercially reasonable efforts to cause such Title Objection Matters to be terminated of record or resolved to the reasonable satisfaction of ALCOSAN within thirty (30) days after the delivery of such notice (or if Municipality is deemed to have so elected, the date of such deemed election) (the "Title Objection Cure Period"), and if Municipality fails to do so, then ALCOSAN, at its option, may, within thirty (30) days after the end of the Title Objection Cure Period, elect to either (A) consummate the transactions contemplated in this Agreement (the

“Contemplated Transactions”) and take title to the Property subject to the unresolved Title Objection Matters, or (B) terminate this Agreement, in which event neither Party shall have any further liability hereunder other than for the Surviving Obligations; **provided, however**, that if ALCOSAN does not so notify Municipality within the requisite period, ALCOSAN shall be deemed to have elected clause (B) above.

3.3 Due Diligence Review. During the Review Period, ALCOSAN shall have the right, at its sole discretion, to perform, by itself and through such environmental consultants, civil engineers, surveyors, building inspectors, attorneys and/or other professionals (the “ALCOSAN Representatives”), such engineering, environmental and other analyses of the Included Assets and the operation and condition thereof as ALCOSAN may deem necessary or appropriate, in its sole and absolute discretion, for its intended use thereof (the “Due Diligence Review”), which may include: (a) engineering analyses of the Facility and the Property; (b) Phase I, Phase II and other environmental site assessments of the Property; (c) inspection and review of all Records, Contracts, Warranties and Permits; and (d) interviews of all personnel and contractors of Municipality involved in the operation, maintenance and/or repair of the Facility or the Property (“Facility Personnel”). If ALCOSAN has concerns regarding any title, engineering, environmental or other conditions that pertain to any of the Included Assets, or any Permits that will be retained by Municipality, in ALCOSAN’s sole judgment, that could materially detrimentally affect its use of the Included Assets or materially increase its costs or risks of acquisition, operation or future development of the Included Assets, ALCOSAN shall have the option to terminate this Agreement by delivery of notice to Municipality (notifying Municipality simply that ALCOSAN has elected to terminate pursuant to its Due Diligence Review) no later than 5:00 p.m. ET on the last day of the Review Period, whereupon neither of the Parties shall have any further obligations or liabilities hereunder except for the Surviving Obligations. ALCOSAN’s failure to deliver a timely notice of termination shall constitute an irrevocable waiver and release of its right to terminate this Agreement as a result of its conduct of, or its right to conduct, a Due Diligence Review.

3.4 Cooperation and Access to Included Assets. Municipality shall cooperate with the Due Diligence Review fully and in good faith, including responding expeditiously to requests for copies of Records, Contracts, Warranties and Permits and affording ALCOSAN and the ALCOSAN Representatives full and prompt access to the Property, the Facility and Facility Personnel. Without limitation of the foregoing, in conducting its Due Diligence Review, ALCOSAN and ALCOSAN Representatives may enter the Property upon not less than two (2) business days prior notice to Municipality (for their initial entry), which notice shall be accompanied by the certificate(s) of insurance required below. ALCOSAN and the ALCOSAN Representatives shall not unreasonably interfere with Municipality’s access to the Property or its operation of the Facility, and all such entry shall be subject to such safety and security measures (applicable to visitors generally) as Municipality may reasonably specify in advance of entry. In connection with ALCOSAN’s or ALCOSAN Representatives’ entry onto the Property pursuant to this **Section 3.4**, ALCOSAN shall undertake the following (the “Surviving Obligations”), which Surviving Obligations shall survive any termination of this Agreement: (a) keep the Property free of any mechanic’s or similar liens or claims resulting from any Due Diligence Review activities; (b) repair damage to the Property and the Facility reasonably resulting from the work of ALCOSAN or the ALCOSAN Representatives; and (c) indemnify, defend and hold Municipality harmless from and against any and all Damages incurred by or asserted against Municipality arising from such liens, claims, personal injury or property damage as a result of or exacerbated

by their entry onto the Property, but excluding such of the foregoing as are attributable to the gross negligence or willful misconduct of Municipality or its contractors or invitees; **provided, however,** that notwithstanding the foregoing, under no circumstance shall ALCOSAN's liability hereunder in any event exceed the proceeds of insurance under this Agreement. ALCOSAN shall maintain, and shall ensure that any ALCOSAN Representatives that enter the Property procure and maintain, workers' compensation insurance coverage at statutory minimums, employer's liability insurance with limits of not less than \$1,000,000, and general liability insurance for bodily injury and property damage with a limit of \$1,000,000 per occurrence and \$2,000,000 aggregate, and shall provide to Municipality, with its notice of first entry onto the Property, a certificate(s) of insurance evidencing such coverage and naming Municipality as an additional insured on any policy that permits the naming of additional insureds.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF MUNICIPALITY

Municipality hereby represents and warrants to ALCOSAN as follows:

4.1 Authorization. Municipality has full power and authority to make, execute, deliver and perform this Agreement and the other Transaction Documents to which it is a party.

4.2 Execution. This Agreement has been, and on the Closing Date the other Transaction Documents to be executed and delivered by Municipality will be, duly and validly executed and delivered by Municipality and have been or shall be duly authorized by all necessary or advisable governmental and other action, all as required by applicable Laws, and constitute (or upon such execution and delivery will constitute) legal, valid and binding obligations of Municipality enforceable against it in accordance with all of the provisions of this Agreement and the other Transaction Documents.

4.3 Conflicts. Other than those consents identified on **Schedule 4.3** (the "Required Consents"), the execution, delivery and performance by Municipality of this Agreement and the other Transaction Documents to be executed and delivered by Municipality, and the consummation by Municipality of the Contemplated Transactions, will not: (a) breach or result in a default (or an event which, with the giving of notice or the passage of time, or both, would constitute a default), or otherwise give any Person a basis for accelerated or increased rights or termination or non-performance, under the Contracts or any other agreements by which Municipality is bound or to which the Included Assets are subject; (b) result in the violation of any Laws (including Environmental Laws) applicable to Municipality or the Included Assets; (c) result in the violation of any of the Permits; or (d) result in the creation or imposition of any Encumbrances upon any of the Included Assets.

4.4 Title to Included Assets. Municipality holds valid and marketable title to the Property and to the rest of the Included Assets, in each case free and clear of Encumbrances except for, as to the Property, Permitted Encumbrances.

4.5 Actions. Other than as listed on **Schedule 4.5**, to Municipality's Knowledge, there is no Action pending or threatened against any of the Included Assets, or against Municipality, that could pertain to or involve any of the Included Assets, and there are no facts or circumstances which could reasonably form the basis of any such Action.

4.6 Property. Municipality is not a “foreign person” as that term is defined in the Federal Internal Revenue Code and the regulations thereunder. The Property is subject to no unrecorded leases, subleases, licenses, concession agreements, or other agreements granting use or occupancy rights, written or oral, that affect any portion of the Property. There are no special assessments made or levied against the Property, and to Municipality’s Knowledge, there are no public improvements which have been planned, commenced or completed which would result in a special assessment. The Property is zoned _____ under the applicable zoning ordinance. Pursuant to the Pennsylvania Sewage Facilities Act of January 24, 1966, No. 537 P.L. 1535, as amended, the Property [is/is not] serviced by a community sewage system. There are no eminent domain or condemnation Actions pending with respect to, or to Municipality’s Knowledge, threatened against or pertaining to, the Property.

4.7 Permits. **Schedule 2.1(c)** contains a complete and correct list of all Permits pertaining to the Included Assets, all of which have been duly issued and are valid and in good standing with no unsatisfied condition or qualification, and which constitute all Permits required for the ownership or operation of the Included Assets. Municipality is in compliance with the terms and conditions of, and has performed all obligations under, all such Permits. Municipality has not received any notice of non-renewal of any such Permits.

4.8 Contracts. **Schedule 2.1(d)** sets forth a true and correct list of all Contracts to which Municipality is party associated with the Facility and/or the Property. Each such Contract is valid, binding, and in full force and effect, and to Municipality’s Knowledge, there are no existing breaches in any obligation to be performed by any party thereunder, nor has any event occurred which, with the giving of notice or the passage of time, would give any party thereto a basis for accelerated or increased rights or termination or non-performance.

4.9 Compliance with Laws. Except as identified in the Consent Order or on **Schedule 4.9**, the Property and Municipality’s past and present operation thereof, and the other Included Assets and Municipality’s past and present operation thereof, are in compliance in all material respects with all applicable Laws. To Municipality’s Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation by Municipality of, or a failure on the part of Municipality to comply with, any applicable Law pertaining to the Included Assets or the Municipality’s ownership or operation thereof.

4.10 Environmental Compliance. Except as set forth on **Schedule 4.10**:

(a) to Municipality’s Knowledge, the Property and the Facility are in compliance in all material respects with all applicable Environmental Laws;

(b) Municipality has not generated, stored, disposed of, or accepted, or to Municipality’s Knowledge, allowed any other Person to generate, store or dispose of, any Hazardous Materials at the Property in any manner that violates any applicable Environmental Law; and

(c) to Municipality’s Knowledge, there are no underground storage tanks located on the Property.

4.11 Repair of Significant Defects. Municipality has completed, to ALCOSAN's satisfaction and in accordance with any applicable Repair Plan, the repair and rehabilitation of items identified as significant defects in the Defect Report attached as **Exhibit E**, except those items set forth in **Exhibit F** (the "Post-Closing Repairs"), as to which Post-Closing Repairs the Parties will enter into a post-Closing repair and reimbursement agreement at Closing in the form attached as **Exhibit G** (the "Post-Closing Repair and Reimbursement Agreement"), pursuant to which ALCOSAN will agree to complete such Post-Closing Repairs on behalf of Municipality, and Municipality will agree to reimburse ALCOSAN for a portion of the agreed upon costs of the Post-Closing Repairs as set forth in **Exhibit F**.

4.12 AS-IS, WHERE-IS; No Other Representations. Except as otherwise set forth in this Agreement and the other Transaction Documents, (a) Municipality shall convey the Included Assets to ALCOSAN in their "as-is, where-is" condition, and (b) neither Municipality nor any Person acting on its behalf makes any representations or warranties, express or implied, with respect to the Included Assets or the Contemplated Transactions.

ARTICLE 5 - REPRESENTATIONS AND WARRANTIES OF ALCOSAN

ALCOSAN hereby represents and warrants to Municipality as follows:

5.1 Authorization. ALCOSAN has full power and authority to make, execute, deliver and perform this Agreement and the other Transaction Documents.

5.2 Execution. This Agreement has been, and on the Closing Date the other Transaction Documents to be executed and delivered by ALCOSAN will be, duly and validly executed and delivered by ALCOSAN and have been or shall be duly authorized by all necessary or advisable governmental and other action all as required by applicable Laws and constitute (or upon such execution and delivery will constitute) legal, valid and binding obligations of ALCOSAN enforceable against it in accordance with all of the provisions of this Agreement and the other Transaction Documents.

5.3 Conflicts. The execution, delivery and performance of this Agreement and the other Transaction Documents to be executed and delivered by ALCOSAN, and the consummation by ALCOSAN of the Contemplated Transactions, will not: (a) breach or result in a default (or an event which, with the giving of notice or the passage of time, or both, would constitute a default), or otherwise give any Person a basis for accelerated or increased rights or termination or non-performance, under any agreement by which ALCOSAN is bound; or (b) result in the violation of any provision of any Laws applicable to ALCOSAN.

5.4 No Other Representations. Except as otherwise set forth in this Agreement and the other Transaction Documents, neither ALCOSAN nor any Person acting on its behalf makes any representations or warranties, express or implied, with respect to the Contemplated Transactions.

ARTICLE 6 - CLOSING

6.1 Closing. The consummation of the Contemplated Transactions ("Closing") shall be held during normal business hours on the date that is sixty (60) days after the satisfaction or waiver of each of the Closing Contingencies discussed in **Section 6.4** (except for the last such

Closing Contingency regarding the condition of the Included Assets, which shall continue until Closing) or on such other date as may be mutually agreed upon by the Parties (the "Closing Date"), at the offices of ALCOSAN or another location mutually acceptable to the Parties.

6.2 Closing Deliverables of Municipality. On the Closing Date, Municipality shall execute and deliver to ALCOSAN the following documents and instruments, each dated as of (or prior to) the Closing Date:

- (a) the Deed for the Property, duly executed by Municipality and in recordable form;
- (b) a standard owner's affidavit to delete the standard printed title exception therefor from the Title Commitment, in form and content reasonably acceptable to the Title Company and ALCOSAN's counsel, duly executed by Municipality;
- (c) a transferor's certification of non-foreign status as required by Section 1445(b)(2) of the Internal Revenue Code, duly executed by Municipality;
- (d) a HUD-1 (or equivalent) settlement statement prepared by the Title Company consistent with the terms of this Agreement (the "Settlement Statement"), duly executed by Municipality;
- (e) such other documents as the Title Company may reasonably require of Municipality for Closing and the issuance of the Title Policy, duly executed by Municipality;
- (f) a bill of transfer in substantially the form of **Exhibit H** (the "Bill of Transfer") for the Facility, the Supplies and the Records, duly executed by Municipality;
- (g) an assignment and assumption agreement in substantially the form of **Exhibit I** (the "Assignment and Assumption Agreement") for the Permits and the Contracts that ALCOSAN elects to accept pursuant to **Sections 8.2** and **8.3** and the Warranties, duly executed by Municipality;
- (h) the Post-Closing Repair and Reimbursement Agreement, duly executed by Municipality;
- (i) the Brush Run Trunk Line Transfer Agreement and the closing documents for the Trunk Line Transfer in accordance with the Brush Run Trunk Line Transfer Agreement, as further discussed in **Section 6.4(g)**, duly executed by Municipality;
- (j) a certificate of Municipality to the effect that all representations and warranties made by Municipality in this Agreement remain true and correct as of Closing, duly executed by Municipality; and
- (k) a certificate of the secretary (or other appropriate officer) of Municipality satisfactory to ALCOSAN's counsel and to the Title Company (as to the Property) evidencing the approval of the Contemplated Transactions by Municipality and the authority and incumbency of

the signatory(ies) of Municipality to execute the Transaction Documents to be executed by Municipality.

6.3 Closing Deliverables of ALCOSAN. On the Closing Date, ALCOSAN shall execute and deliver to Municipality the following documents and instruments, each dated as of (or prior to) the Closing Date:

- (a) the Deed, duly executed by ALCOSAN;
- (b) such other documents as the Title Company may reasonably require of ALCOSAN for Closing and the issuance of the Title Policy, duly executed by ALCOSAN;
- (c) the Settlement Statement, duly executed by ALCOSAN;
- (d) the Bill of Transfer, duly executed by ALCOSAN;
- (e) the Assignment and Assumption Agreement, duly executed by ALCOSAN;
- (f) the Post-Closing Repair and Reimbursement Agreement, duly executed by ALCOSAN;
- (g) a certificate of ALCOSAN to the effect that all representations and warranties made by ALCOSAN in this Agreement remain true and correct as of Closing, duly executed by ALCOSAN; and
- (h) a certificate of the secretary (or other appropriate officer) of ALCOSAN satisfactory to Municipality's counsel and to the Title Company (as to the Property) evidencing the approval of the Contemplated Transactions by ALCOSAN and the authority and incumbency of the signatory(ies) of ALCOSAN to execute the Transaction Documents to be executed by ALCOSAN.

The documents referenced in **Sections 6.2** and **6.3**, together with this Agreement, are collectively referred to as the "Transaction Documents."

6.4 Closing Contingencies. The obligation of the Parties to proceed to Closing shall be subject to the following contingencies (the "Closing Contingencies"):

- (a) ALCOSAN's satisfaction with the condition of Municipality's title to the Property, or ALCOSAN's waiver of its right to terminate this Agreement in connection therewith, pursuant to **Section 3.2**.
- (b) ALCOSAN's satisfaction with its Due Diligence Review, or ALCOSAN's waiver of its right to terminate this Agreement in connection therewith, pursuant to **Section 3.3**.
- (c) Each Party will have procured the approval of its governing body for the Contemplated Transactions.

(d) As to the Brush Run Trunk Line Transfer: (i) Municipality will have delivered to ALCOSAN the Brush Run Trunk Line Transfer Agreement and all documents and instruments associated therewith, fully executed by Municipality, for execution by ALCOSAN to consummate the Brush Run Trunk Line Transfer at Closing; (ii) the DEP and any other applicable Governmental Authorities will have approved the transfer of the Permit(s) for the Brush Run Trunk Line Assets from Municipality to ALCOSAN; and (iii) all other conditions for the consummation of the Brush Run Trunk Line Transfer, including any third party consents or agreements required for transfer thereof, shall have been satisfied.

(e) Municipality and ALCOSAN will have received: (i) the consent of applicable Governmental Authorities for the transfer of the Permits to ALCOSAN or the naming of ALCOSAN as co-permittee, as the case may be, as further discussed in **Section 8.1**; and (ii) the consent of the applicable Contract counterparties for the transfer to ALCOSAN of the Contracts that ALCOSAN is willing to assume, as further discussed in **Section 8.2**.

(f) There will have occurred no material damage to the Included Assets or other conditions or circumstances affecting the Included Assets between the Effective Date and Closing that could materially detrimentally affect ALCOSAN's use of the Included Assets or materially increase its costs or risks of acquisition, operation, or future development of the Included Assets.

ARTICLE 7 - INDEMNIFICATION

7.1 ALCOSAN's Indemnification of Municipality. From and after Closing, ALCOSAN shall release, indemnify, defend and hold Municipality harmless from and against any and all Damages incurred by Municipality arising out of or relating to the following: (a) the Assumed Liabilities; (b) the failure by ALCOSAN to perform or observe any agreement or condition to be performed or observed by ALCOSAN pursuant to this Agreement or the other Transaction Documents; and (c) any misrepresentation or breach of warranty of ALCOSAN under **Article 5**.

7.2 Municipality's Indemnification of ALCOSAN. From and after Closing, Municipality shall release, indemnify, defend and hold ALCOSAN harmless from and against any and all Damages incurred by ALCOSAN arising out of or relating to the following: (a) the Retained Liabilities; (b) the Excluded Assets; (c) the failure by Municipality to perform or observe any agreement or condition to be performed or observed by Municipality pursuant to this Agreement; and (d) any misrepresentation or breach of warranty of Municipality under **Article 4**.

7.3 Indemnification Procedure. In the event of a claim for Damages pursuant to this **Article 7**, the Parties shall follow the procedures set forth in **Exhibit J**.

ARTICLE 8 - COVENANTS

8.1 Treatment of Permits. In the course of its review of Permits as part of its Due Diligence Review under **Section 3.3**, ALCOSAN shall determine, subject to the provisions of **Section 8.3(a)**, whether there are any Permits that it is unwilling to assume due to their terms or its lack of need for the relevant authorization, and which of the Permits that ALCOSAN decides to assume will require consent from the applicable Governmental Authorities for their assignment to ALCOSAN. The Parties shall cooperate to apply for and pursue (a) the transfer from

Municipality to ALCOSAN of the Permits that ALCOSAN elects to assume, at such time as ALCOSAN elects to assume them, and (b) the re-issuance or issuance of such Permits to ALCOSAN as may otherwise be required to effectuate the Contemplated Transactions. In furtherance of such cooperation and to the extent legally permissible, Municipality shall execute all documents required by all applicable Governmental Authorities to effect the appointment of ALCOSAN as operator under such Permits and shall authorize ALCOSAN to commence operations as operator under such Permits.

8.2 Treatment of Contracts. In the course of its review of Contracts as part of its Due Diligence Review under **Section 3.3**, ALCOSAN shall determine whether there are any Contracts (other than the Brush Run Trunk Line Transfer Agreement and the Consent Order) that it is unwilling to assume at Closing due to their terms or its lack of need for the relevant goods and services, and which of the Contracts that ALCOSAN decides to assume will require consent from the applicable counterparties for their assignment to ALCOSAN. Such Contracts as ALCOSAN is not willing to assume, or for which Municipality is unable to procure consent for assignment, shall not be assumed by ALCOSAN and shall be either retained or terminated by Municipality (as Municipality may deem warranted). Municipality shall be responsible for procuring any requisite consents to assignment of Contracts that ALCOSAN elects to assume.

8.3 Changes in Condition of Included Assets. Municipality shall promptly notify ALCOSAN of any material damage to the Included Assets or other conditions or circumstances affecting the Included Assets between the Effective Date and Closing that could reasonably be expected to materially detrimentally affect ALCOSAN's use of the Included Assets or materially increase its costs or risks of acquisition, operation, or future development of the Included Assets.

ARTICLE 9 - MISCELLANEOUS

9.1 Notices. Any notice, consent, explicit waiver or other communication required or desired to be given to a Party under this Agreement shall be in writing and either personally delivered or delivered by sending it by certified mail, return receipt requested, postage prepaid, or a reliable and reputable overnight courier service, charges prepaid, to the address set forth below. The foregoing communications shall be conclusively deemed to have been given to the Party entitled thereto upon the earlier of actual receipt or the second (2nd) business day after deposit in the U.S. mail or the next business day after timely deposit with an overnight courier service for delivery to that Party. The foregoing communications are to be addressed to the Parties at their following addresses (or such other addresses as any applicable Party may hereafter specify from time to time):

To ALCOSAN:

Allegheny County Sanitary Authority
3300 Preble Avenue
Pittsburgh, PA 15233
Attention: Executive Director

With a copy to:

Allegheny County Sanitary Authority
3300 Preble Avenue
Pittsburgh, PA 15233
Attention: Director of Regional Conveyance

To Municipality:

Township of Upper St. Clair

With a copy to:

Township of Upper St. Clair

1820 McLaughlin Run Rd.
Pittsburgh, PA 15241-2300
Attention: Township Manager

1820 McLaughlin Run Rd.
Pittsburgh, PA 15241-2300
Attention: President, Board of Commissioners

Whenever any such communication is required to be given pursuant to the provisions of this Agreement, a waiver thereof, in writing, signed by the Party entitled to such notice, whether before or after the time stated therein, shall be deemed to be delivery of notice for the purposes of this Agreement.

9.2 Effect of Waiver or Consent. No course of dealing, custom or conduct, nor any delay or failure on the part of any Party to exercise any right, power or remedy, under this Agreement shall be or be deemed a waiver or release of such right, power or remedy or otherwise prejudice or impair the rights, powers, benefits or remedies of such Party. No waiver or release by any Party shall be valid or binding unless given in a writing signed by the Party to be charged with the waiver or release. A waiver or consent, express or implied, to or of any breach or default by any Party in the performance by that Party of any of its duties or obligations with respect to this Agreement is not a consent or waiver to or of any other breach or default in the performance by that Party or any other Party of the same or any other duties or obligations of that Party or any other Party with respect to this Agreement. Failure on the part of a Party to declare any Party in default or breach with respect to this Agreement, irrespective of how long that failure continues, shall not constitute a waiver or release by that Party of its rights with respect to that default or breach until the period of the applicable statute of limitations has expired.

9.3 Execution in Counterparts. This Agreement and any other Transaction Document may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same such instrument. If executed in multiple counterparts, this Agreement or any other Transaction Document shall become binding when any counterpart or counterparts, individually or taken together, bear the signatures of all of the applicable Parties. This Agreement or any other Transaction Document, to the extent signed and delivered by means of facsimile machine or other electronic transmission (including .pdf), shall be treated in all manner and respects and for all purposes as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. Except for the Deed and any other document for which an original signature is required for recordation or filing, no Party shall raise the use of facsimile machine or other electronic transmission to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of facsimile machine or other electronic transmission as a defense to the formation or enforceability of this Agreement or any other Transaction Document, and each Party hereby forever waives any such defense.

9.4 Amendments and Binding Effect. All amendments to this Agreement must be in writing, signed by both Parties, and shall take effect immediately. Oral agreements to amend or change this Agreement, or any part thereof, shall not be valid or binding, and ALCOSAN and Municipality, for themselves and their successors and permitted assigns, fully and forever waive and release any and all rights to make, assert or claim that this Agreement has been amended by an oral agreement. This Agreement and all provisions herein shall be binding upon and inure to the benefit of ALCOSAN and Municipality and their respective successors and permitted assigns;

provided, however, that no Party may assign or transfer any of its rights or interests under this Agreement without first obtaining the prior consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

9.5 Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

9.6 Severability. If any provision in this Agreement or the application thereof to any Party or circumstance is held invalid or unenforceable to any extent as to any Party or circumstance under any present or future Laws, such findings shall not render that provision invalid or unenforceable as to any other Party or circumstances.

9.7 Interpretation and Construction. In no event shall any construction, interpretation, enforcement, presumption or inference in favor of or against any Party be made as a consequence of the identity of the draftsman of this Agreement or any other Transaction Documents. Each Party hereby covenants and agrees that this Agreement and each Transaction Document shall be construed and interpreted in a neutral manner, and that in interpreting this Agreement and the Transaction Documents, there shall be no presumption or inference, by operation of law or otherwise, that any provision or part of this Agreement or any Transaction Document shall be more strictly construed against any Party for any reason whatsoever. In interpreting this Agreement and each Transaction Document, the use of any gender shall include all genders; the singular shall include the plural and the plural the singular, and words used in the past or present tense shall include the future whenever necessary or advisable to produce the intended meaning or effect unless the application of the foregoing would result in a construction inconsistent with the manifest intent or objectives of this Agreement and the Transaction Documents. All preambles, recitals, schedules and exhibits of and to this Agreement and the Transaction Documents are fully incorporated herein and therein. The paragraph headings in this Agreement and the Transaction Documents are for convenience only; they do not form a part of this Agreement or the applicable Transaction Documents and shall not affect or be used in its construction or interpretation. The provisions in this Agreement and the Transaction Documents, in all circumstances, shall always control and supersede any course of conduct, dealing, performance, custom or usage inconsistent or in conflict with any of the provisions in this Agreement or the Transaction Documents.

9.8 Further Actions. Subject to the terms and conditions of this Agreement, each Party shall cooperate fully and act in good faith to effectuate the Contemplated Transactions. Each Party shall comply fully with all applicable Laws relating to the preparation and maintenance of complete and accurate records pertaining to the Included Assets. Subject to the terms and conditions of this Agreement, at any time or from time to time after Closing, at any Party's request and without further consideration, (a) the other Party shall execute and deliver to such requesting Party, at the requesting Party's expense, such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information, and take such other actions as such Party may reasonably request, in order to more fully consummate the Contemplated Transactions, and (b) each of the Parties shall use its commercially reasonable efforts to provide such materials and information and take such other actions as may reasonably be necessary, proper or advisable, to the extent permitted by Law, to fulfill its obligations under this Agreement and the other Transaction Documents.

9.9 Survival. All representations, warranties, covenants and agreements of the Parties contained in this Agreement and in any other agreements, documents or certificates executed or delivered by the Parties pursuant to this Agreement, including the Transaction Documents, or in connection with the Contemplated Transactions, shall survive the execution, delivery and performance of this Agreement and the other Transaction Documents, Closing, and the recordation of the Deed.

9.10 Release. Municipality, and any Person claiming by, under or through it (collectively, the "Releasing Parties"), hereby absolutely, unconditionally and irrevocably release and forever discharge ALCOSAN, and its past, present or future directors, officers, managers, employees, agents, attorneys, financial and other advisors and representatives (collectively, the "Released Parties"), from, and absolutely, unconditionally and irrevocably forever waive, all claims, Actions, causes of action, suits, debts, liabilities, obligations, sums of money, controversies, Damages, judgments and demands arising out of, relating to or in any way connected to any increase in ALCOSAN's system-wide rates to account exclusively for the Assumed Liabilities hereunder and ALCOSAN's assumption of liabilities in connection with ALCOSAN's acquisition of other assets from various municipalities and municipal authorities in Allegheny County (the "Released Claims"); **provided, however**, that the Released Claims shall not include (and the Releasing Parties shall retain all rights with respect to ALCOSAN for) any obligations of ALCOSAN arising out of **Section 7.1(a)**.

9.11 Modification of Outstanding Agreements. Notwithstanding anything to the contrary herein, nothing in this Agreement is intended to amend, modify or supersede any existing agreement between the Parties, and all such agreements shall remain in full force and effect following Closing.

9.12 **COAL NOTICE**. NOTICE - THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.)

IN WITNESS WHEREOF, ALCOSAN and Municipality, by their duly authorized representatives, have signed and sealed this Agreement effective as of the Effective Date.

[Signature pages of both Parties follow.]

ALLEGHENY COUNTY SANITARY AUTHORITY

By: _____
Arletta Scott Williams
Executive Director

TOWNSHIP OF UPPER ST. CLAIR

By: _____
Name: _____
Title: _____

SCHEDULE 2.1(c)
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

PERMITS

SCHEDULE 2.1(d)
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

CONTRACTS

SCHEDULE 2.1(e)
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)
RECORDS

SCHEDULE 2.1(f)
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

WARRANTIES

SCHEDULE 2.2
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

EXCLUDED ASSETS

SCHEDULE 4.3
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

REQUIRED CONSENTS

SCHEDULE 4.5
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

PENDING ACTIONS

SCHEDULE 4.9
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

NON-COMPLIANCE WITH LAWS

SCHEDULE 4.10
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)
NON-COMPLIANCE WITH ENVIRONMENTAL LAWS

**EXHIBIT A
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)**

DESCRIPTION OF FACILITY

[See Attached.]

EXHIBIT B
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

DESCRIPTION AND/OR DEPICTION OF PROPERTY

[See Attached.]

EXHIBIT C
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

DEPICTION OF BRUSH RUN TRUNK LINE

[See Attached.]

EXHIBIT D
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

FORM OF SPECIAL WARRANTY DEED

Prepared by, and after recording please mail to:

_____, Esquire
Babst, Calland, Clements and Zomnir, P.C.
Two Gateway Center
603 Stanwix St.
6th Floor
Pittsburgh, PA 15222

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED (this "Deed") is made and entered into the ____ day of _____, 20____, but effective as of _____, 20____ (the "Closing Date"), by and between the TOWNSHIP OF UPPER ST. CLAIR, a home rule municipality situated in Allegheny County, Pennsylvania, having an address at 1820 McLaughlin Run Rd., Pittsburgh, PA 15241-2300 ("Grantor"), and the ALLEGHENY COUNTY SANITARY AUTHORITY, a municipal authority organized under the Pennsylvania Municipality Authorities Act, as amended, 53 Pa. C.S.A. §§ 5601-5623, having an address at 3300 Preble Avenue, Pittsburgh, PA 15233 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration given to Grantor by Grantee, receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells and conveys unto Grantee, its successors and assigns, forever, all of those certain lots or parcels of ground situated in the Township of Upper St. Clair, Allegheny County, Pennsylvania, more particularly described on **Exhibit A** hereto (the "Property").

SUBJECT to the following: (i) all existing deed restrictions, reservations, easements, encumbrances, rights-of-way, covenants and conditions of record; (ii) water, sewer, gas, electric, telecommunications, and other utility and railroad lines as currently installed; (iii) other privileges or rights of public service companies; and (iv) prior grants and reservations or leases of coal, oil, gas, timber and/or other mineral rights as shown by instruments of record, excepting those held by Grantor itself.

TOGETHER with, all and singular, all property, improvements, fixtures, structures, equipment, ways, waters, water courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever belonging or in any way pertaining to the Property, and the reversions and remainders thereof, and all the estate, right, title, interest, property, claim and demand whatsoever of Grantor, in law, equity or otherwise howsoever, of, in and to the same and every part thereof.

TO HAVE AND TO HOLD the same to and for the use of Grantee, its successors and assigns, forever, and Grantor, for itself and its successors and assigns, hereby covenants and agrees that it will **WARRANT SPECIALLY** the Property hereby conveyed.

NOTICE—THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE(S) TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, (IS, ARE) FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM THE DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966, AS AMENDED.

ALLEGHENY COUNTY SANITARY AUTHORITY

By:

Arletta Scott Williams
Executive Director

**EXHIBIT A
TO SPECIAL WARRANTY DEED**

DESCRIPTION OF PROPERTY

ALL THAT CERTAIN tract of land situated in the Township of Upper St. Clair, Allegheny County, Pennsylvania, bounded and described as follows:

[PROPERTY DESCRIPTION]

Containing _____ acres, more or less.

Being [a portion of/Tract _____ of] the same property conveyed to [GRANTOR] by _____ by Deed dated _____, and recorded in the Department of Real Estate of Allegheny County, Pennsylvania, on _____, at Deed Book Volume _____, Page _____, as Instrument No. _____.

Tax Parcel No. 0776-B-00004-0000-00.

CERTIFICATE OF RESIDENCE

I do hereby certify that the <u>TAX BILL MAILING ADDRESS</u> of Grantee is: Allegheny County Sanitary Authority 3300 Preble Avenue Pittsburgh, PA 15233	I do hereby certify that the <u>OWNER ADDRESS</u> of Grantee is: Allegheny County Sanitary Authority 3300 Preble Avenue Pittsburgh, PA 15233
--	---

Witness my hand and seal this ____ day of _____, 20__.

ALLEGHENY COUNTY SANITARY AUTHORITY

By: _____
Arletta Scott Williams
Executive Director

EXHIBIT E
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

DEFECT REPORT

[See Attached.]

EXHIBIT F
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

POST-CLOSING REPAIRS

[See Attached.]

EXHIBIT G
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

FORM OF POST-CLOSING REPAIR AND REIMBURSEMENT AGREEMENT

POST-CLOSING REPAIR AND REIMBURSEMENT AGREEMENT

This Post-Closing Repair and Reimbursement Agreement (this "Agreement") is made as of the ____ day of _____, 20__ (the "Closing Date"), by and between the ALLEGHENY COUNTY SANITARY AUTHORITY, a municipal authority organized under the Municipality Authorities Act, as amended, 53 Pa. C.S.A. §§ 5601-5623 ("ALCOSAN"), and the TOWNSHIP OF UPPER ST. CLAIR, a home rule municipality situate in Allegheny County, Pennsylvania ("Municipality") (each of ALCOSAN and Municipality, a "Party," and together, the "Parties").

WITNESSETH:

WHEREAS, ALCOSAN and Municipality entered into that certain Transfer Agreement (Brush Run Pump Station) dated as of _____, 2025 (the "Transfer Agreement"), pursuant to which Municipality agreed to transfer, convey, assign and deliver to ALCOSAN, and ALCOSAN agreed to accept and receive, all of Municipality's rights, title and interest in the Included Assets; and

WHEREAS, the Included Assets include, without limitation, assets comprising the Facility (as defined in the Transfer Agreement); and

WHEREAS, prior to Closing, ALCOSAN delivered to Municipality a Defect Report that identified significant defects with respect to the Included Assets, all of which defects Municipality was obligated to repair and/or rehabilitate prior to Closing; and

WHEREAS, as of the Closing Date, Municipality has not completed the required repair and/or rehabilitation measures described on **Exhibit A** hereto (collectively, the "Incomplete Repairs"); and

WHEREAS, in order to proceed with Closing, Municipality has requested ALCOSAN to complete the Incomplete Repairs after Closing in return for Municipality reimbursing ALCOSAN for a portion of the agreed-upon costs thereof, and ALCOSAN is willing to undertake the completion of the Incomplete Repairs after Closing, on the terms and subject to the conditions in this Agreement; and

WHEREAS, Municipality and ALCOSAN are Closing the transactions set forth in the Transfer Agreement as of the Closing Date.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in the Transfer Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Recitals. The preambles, recitals and exhibits of and to this Agreement are fully incorporated herein.

2. Definitions. Capitalized words, terms and phrases used but not otherwise defined herein shall have the meanings ascribed to such words, terms and phrases in the Transfer Agreement.

3. Completion of Incomplete Repairs. Subject to the remaining provisions of this Agreement, ALCOSAN hereby assumes and agrees to undertake Municipality's obligation to complete (and/or cause to be completed) the Incomplete Repairs (the "Work"); **provided, however,** that the timing and manner of completion of the Work and any and all portions thereof shall be in ALCOSAN's sole and absolute discretion and shall be independent of Municipality's reimbursement and payment obligations under **Sections 4, 5 and 6** hereof. For the avoidance of doubt, ALCOSAN shall not be required to complete the Work in accordance with any Repair Plan previously prepared by Municipality, whether or not submitted to and approved by ALCOSAN.

4. Reimbursement of Agreed Upon Costs. Municipality shall reimburse and pay ALCOSAN for the anticipated reasonable and necessary costs to complete the Work as agreed upon by Municipality and ALCOSAN (the "Reimbursable Costs"), including without limitation, those costs described on **Exhibit B** hereto. The Parties acknowledge and agree, for purposes of this Agreement and in the interest of their respective budget certainty, that the total sum to be paid by Municipality to ALCOSAN hereunder as the Reimbursable Costs shall be Twenty-Eight Thousand Five Hundred Ninety-Four Dollars and Sixty-One Cents (\$28,594.61).

5. Payment of Reimbursable Costs. Municipality shall pay the Reimbursable Costs to ALCOSAN in twelve (12) equal monthly installments, commencing on the first day of the calendar month immediately following the Closing Date, in accordance with the payment instructions set forth in **Exhibit C** hereto.

6. Financing Election. Notwithstanding the payment provisions of **Section 5** hereof, upon written request to ALCOSAN delivered within ten (10) days following the Closing Date, Municipality may elect to pay the Reimbursable Costs to ALCOSAN in up to thirty-six (36) equal monthly installments, together with interest in an amount equal to ALCOSAN's bond rate (as applicable from time to time) (the "Financing Election"). Upon receipt from Municipality of a Financing Election, ALCOSAN shall prepare and deliver to Municipality a revised payment schedule and such other documents and instruments as ALCOSAN may reasonably require to effectuate the Financing Election. In the event that Municipality has not executed and returned the documents and instruments specified by ALCOSAN to effectuate the Financing Election within twenty (20) days after delivery thereof by ALCOSAN, the Financing Election shall be deemed to be withdrawn and the original payment provisions in **Section 5** hereof shall govern.

7. Relation to Transfer Agreement. Nothing in this Agreement is intended to modify, amend, or alter in any respect the rights and obligations of the Parties under the Transfer Agreement, and the Transfer Agreement shall remain in full force and effect, notwithstanding the execution and delivery of this Agreement. Without limiting the generality of the foregoing, the

Parties specifically acknowledge and agree that nothing in this Agreement shall limit ALCOSAN's indemnification rights pursuant to Section 7.2 of the Transfer Agreement.

8. Further Assurances. Each Party agrees to take and cause to be taken such further actions to execute, deliver and file, or cause to be executed, delivered and filed, such further documents and instruments, and to obtain such further consents, as may be necessary or as may be reasonably requested in order to effectuate fully the purposes, terms and conditions of this Agreement.

9. Successors and Assigns; No Third-Party Beneficiaries. This Agreement is binding upon and shall inure to the benefit of the Parties and their respective successors and assigns. Except for the Parties and their respective successors and assigns, no other Person is or shall be entitled to bring any action to enforce any provision of this Agreement against either of the Parties.

10. Conflicts. If there is a conflict between the terms of this Agreement and the Transfer Agreement, the terms of the Transfer Agreement shall control.

11. Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature pages of both Parties follow.]

IN WITNESS WHEREOF, Municipality and ALCOSAN, by their duly authorized representatives, have signed and sealed this Agreement effective as of the Closing Date.

ALLEGHENY COUNTY SANITARY AUTHORITY

By: _____
Arletta Scott Williams
Executive Director

TOWNSHIP OF UPPER ST. CLAIR

By: _____
Name: _____
Title: _____

EXHIBIT A
TO POST-CLOSING REPAIR AND REIMBURSEMENT AGREEMENT

INCOMPLETE REPAIRS

*[Description of Incomplete Repairs and Work agreed upon by Municipality Engineer and
ALCOSAN Engineer to be inserted.]*

EXHIBIT B
TO POST-CLOSING REPAIR AND REIMBURSEMENT AGREEMENT

REIMBURSABLE COSTS

*[Estimated costs to complete Incomplete Repairs agreed upon by Municipality Engineer and
ALCOSAN Engineer to be inserted.]*

EXHIBIT C
TO POST-CLOSING REPAIR AND REIMBURSEMENT AGREEMENT

PAYMENT INSTRUCTIONS

Payment:

Please remit required payments via check made payable to Allegheny County Sanitary Authority, commencing on the first day of the calendar month immediately following the Closing Date, to the following address:

Allegheny County Sanitary Authority
3300 Preble Avenue
Pittsburgh, PA 15233
Attn: Karen S. Fantoni, Director of Finance

Late Charge:

If any payment due under this Agreement remains unpaid, in whole or in part, for more than ten (10) days following the due date thereof, ALCOSAN may, at its option, assess a late charge equal to five percent (5%) of the overdue amount.

Default:

If any payment due under this Agreement remains unpaid, in whole or in part, for more than ten (10) days after notice thereof from ALCOSAN and at any time thereafter during the continuance thereof, ALCOSAN may, at its option, (a) declare all unpaid amounts due under this Agreement to be immediately due and payable, and/or (b) exercise and enforce any and all rights and remedies available to it at law or in equity. Municipality shall pay to ALCOSAN default interest on any payments that remain unpaid after one (1) year from the Closing Date in an amount equal to ALCOSAN's bond rate (as applicable from time to time) until all amounts due are paid in full. In addition to amounts due under this Agreement, Municipality shall pay to ALCOSAN, on demand, all reasonable costs and expenses (including, without limitation, to the extent permitted by law, reasonable attorneys' fees) incurred in collecting any and all amounts due under this Agreement, or in connection with the enforcement or preservation of any and all rights and remedies hereunder.

EXHIBIT H
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)
FORM OF BILL OF TRANSFER

BILL OF TRANSFER

This Bill of Transfer dated as of the ____ day of _____, 20__ (the “Closing Date”), is by and between the ALLEGHENY COUNTY SANITARY AUTHORITY, a municipal authority organized under the Municipality Authorities Act, as amended, 53 Pa. C.S.A. §§ 5601-5623 (“ALCOSAN”), and the TOWNSHIP OF UPPER ST. CLAIR, a home rule municipality situated in Allegheny County, Pennsylvania (“Municipality”) (each of ALCOSAN and Municipality, a “Party,” and together, the “Parties”).

WHEREAS, ALCOSAN and Municipality have entered into that certain Transfer Agreement (Brush Run Pump Station) dated _____, 2025 (the “Transfer Agreement”) pursuant to which Municipality agreed to transfer, convey, assign and deliver to ALCOSAN, and ALCOSAN agreed to accept and receive, all of Municipality’s rights, title and interest in the Included Assets; and

WHEREAS, the Included Assets include, without limitation, the Facility described and/or depicted in **Exhibit A** hereto, the Supplies and the Records; and

WHEREAS, ALCOSAN and Municipality are Closing the transactions provided for in the Transfer Agreement as of the Closing Date; and

WHEREAS, by means of this Bill of Transfer, Municipality desires to transfer, convey, assign and deliver to ALCOSAN all of Municipality’s rights, title and interest in and to the Facility, the Supplies and the Records.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in the Transfer Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Recitals. The preambles, recitals and exhibits of and to this Bill of Transfer are fully incorporated herein.
2. Definitions. Capitalized words, terms and phrases used but not otherwise defined herein shall have the meanings ascribed to such words, terms and phrases in the Transfer Agreement.
3. Assignment. Municipality hereby transfers, conveys, assigns and delivers to ALCOSAN, its successors and assigns, forever, all of Municipality’s rights, title and interest in the Facility, the Supplies and the Records, free and clear of all Encumbrances.

4. Relation to Transfer Agreement. This Bill of Transfer is executed and delivered by Municipality in accordance with, and subject to the terms and conditions of, the Transfer Agreement. Nothing in this Bill of Transfer is intended to modify, amend or alter in any respect the rights and obligations of the Parties under the Transfer Agreement, and the Transfer Agreement shall remain in full force and effect, notwithstanding the execution and delivery of this Bill of Transfer.

5. Further Assurances. Each Party agrees to take and cause to be taken such further actions to execute, deliver and file, or cause to be executed, delivered and filed, such further documents and instruments, and to obtain such further consents, as may be necessary or as may be reasonably requested in order to effectuate fully the purposes, terms and conditions of this Bill of Transfer.

6. Successors and Assigns; No Third-Party Beneficiaries. This Bill of Transfer is binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. Except for the Parties and any successor in interest or assignee of a Party, no other Person is or shall be entitled to bring any action to enforce any provision of this Bill of Transfer against any of the Parties.

7. Conflicts. If there is a conflict between the terms of this Bill of Transfer and those of the Transfer Agreement, the terms of the Transfer Agreement shall control.

8. Governing Law. This Bill of Transfer and the rights and duties of the Parties hereunder shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

9. Counterparts. This Bill of Transfer may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same instrument. A signed copy of this Bill of Transfer delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Bill of Transfer.

IN WITNESS WHEREOF, ALCOSAN and Municipality, by their duly authorized representatives, have signed and sealed this Bill of Transfer effective as of the Closing Date.

[Signature pages of both Parties follow.]

ALLEGHENY COUNTY SANITARY AUTHORITY

By: _____
Arletta Scott Williams
Executive Director

TOWNSHIP OF UPPER ST. CLAIR

By: _____
Name: _____
Title: _____

EXHIBIT I
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this “Agreement”) dated as of the ____ day of _____, 20__ (the “Closing Date”), is by and between the ALLEGHENY COUNTY SANITARY AUTHORITY, a municipal authority organized under the Municipality Authorities Act, as amended, 53 Pa. C.S.A. §§ 5601-5623 (“ALCOSAN”), and the TOWNSHIP OF UPPER ST. CLAIR, a home rule municipality situated in Allegheny County, Pennsylvania (“Municipality”) (each of ALCOSAN and Municipality, a “Party,” and together, the “Parties”).

WITNESSETH:

WHEREAS, ALCOSAN and Municipality have entered into that certain Transfer Agreement (Brush Run Pump Station) dated _____, 2025 (the “Transfer Agreement”) pursuant to which Municipality agreed to transfer, convey, assign and deliver to ALCOSAN, and ALCOSAN agreed to accept and receive, all of Municipality’s rights, title and interest in the Included Assets; and

WHEREAS, the Included Assets include, without limitation, certain Permits owned, held, possessed or entitled in the name of Municipality, or in which Municipality has rights, as described in **Exhibit A** hereto (the “Assigned Permits”); and

WHEREAS, the Included Assets further include, without limitation, certain Contracts to which Municipality is party, as described in **Exhibit B** hereto (the “Assigned Contracts”); and

WHEREAS, the Included Assets further include, without limitation, certain Warranties related to or necessary for the operation of the Included Assets, as described in **Exhibit C** hereto (the “Assigned Warranties”); and

WHEREAS, ALCOSAN and Municipality are Closing the transactions provided for in the Transfer Agreement as of the Closing Date; and

WHEREAS, by means of this Agreement, Municipality desires to transfer, convey, assign and deliver to ALCOSAN all of Municipality’s rights, title and interest in and to the Assigned Permits, the Assigned Contracts and the Assigned Warranties, and ALCOSAN desires to assume, implement, perform and discharge the Assumed Liabilities of Municipality as they pertain exclusively to the Assigned Permits, the Assigned Contracts and the Assigned Warranties arising after the Closing Date, all on the terms and subject to the conditions set forth in the Transfer Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in the Transfer Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Incorporation. The preambles, recitals and exhibits of and to this Agreement are fully incorporated herein.

2. Definitions. Capitalized words, terms and phrases used but not otherwise defined herein shall have the meanings ascribed to such words, terms and phrases in the Transfer Agreement.

3. Assignment. Municipality hereby transfers, conveys, assigns and delivers to ALCOSAN, its successors and assigns, forever, all of Municipality's rights, title and interest in and to the Assigned Permits, the Assigned Contracts and the Assigned Warranties.

4. Assumption. ALCOSAN hereby accepts the foregoing transfer, conveyance and assignment and hereby assumes and agrees to implement, perform and discharge (and/or cause to be implemented, performed and discharged) the Assumed Liabilities of Municipality as they pertain exclusively to the Assigned Permits, the Assigned Contracts and the Assigned Warranties arising after the Closing Date.

5. Relation to Transfer Agreement. This Agreement is executed and delivered by Municipality in accordance with, and subject to the terms and conditions of, the Transfer Agreement. Nothing in this Agreement is intended to modify, amend or alter in any respect the rights and obligations of the Parties under the Transfer Agreement, and the Transfer Agreement shall remain in full force and effect, notwithstanding the execution and delivery of this Agreement.

6. Further Assurances. Each Party agrees to take and cause to be taken such further actions to execute, deliver and file, or cause to be executed, delivered and filed, such further documents and instruments, and to obtain such further consents, as may be necessary or as may be reasonably requested in order to effectuate fully the purposes, terms and conditions of this Agreement.

7. Successors and Assigns; No Third-Party Beneficiaries. This Agreement is binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. Except for the Parties and any successor in interest or assignee of a Party, no other Person is or shall be entitled to bring any action to enforce any provision of this Agreement against any of the Parties.

8. Conflicts. If there is a conflict between the terms of this Agreement and those of the Transfer Agreement, the terms of the Transfer Agreement shall control.

9. Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, ALCOSAN and Municipality, by their duly authorized representatives, have signed and sealed this Agreement effective as of the Closing Date.

[Signature pages of both Parties follow.]

ALLEGHENY COUNTY SANITARY AUTHORITY

By: _____
Arletta Scott Williams
Executive Director

TOWNSHIP OF UPPER ST. CLAIR

By: _____
Name: _____
Title: _____

EXHIBIT J
TO TRANSFER AGREEMENT (BRUSH RUN PUMP STATION)

INDEMNIFICATION PROCEDURES

Indemnified Party and Indemnifying Party. The Party making a claim under **Article 7** of this Agreement is referred to as the “Indemnified Party,” and the Party against which such claims are asserted under **Article 7** of this Agreement is referred to as the “Indemnifying Party.”

Third-Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any Person who is not a party to this Agreement (a “Third-Party Claim”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt notice thereof within thirty (30) days of such Indemnified Party becoming aware of such Third-Party Claim, which notice shall set forth such material information with respect to such Third-Party Claim as is then reasonably available to such Indemnified Party, including (i) a description of the claim in reasonable detail and, if known, the estimated amount or method of computation of any Damages incurred or reasonably expected to be incurred by the Indemnified Party together with such supporting documents reasonably available to such Indemnified Party, and (ii) a reference to the provision or provisions of this Agreement upon which such claim is based to the extent of the facts then known by the Indemnified Party (“Notice of Claim”). Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, within seven (7) days after the Indemnified Party’s receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to such Third-Party Claim. Notwithstanding the foregoing, the failure by the Indemnified Party to so notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability to the Indemnified Party for any liability hereunder except to the extent that such failure shall have actually prejudiced the defense of such Third-Party Claim.

Defense of Third-Party Claims.

In the event that an Indemnified Party furnishes an Indemnifying Party with a Notice of Claim, then upon the notice by the Indemnifying Party given to the Indemnified Party within fifteen (15) days of receipt of the Notice of Claim, stating that (a) the Indemnifying Party is undertaking the defense of the Third-Party Claim, and (b) the Third-Party Claim covered by the Notice of Claim is subject to **Article 7** of this Agreement, then the Indemnifying Party shall have the right to assume and conduct the defense of each Third-Party Claim with counsel selected by the Indemnifying Party and reasonably acceptable to the Indemnified Party, provided that the Indemnifying Party shall not be entitled to assume or continue control of the defense of any Third-Party Claim, and the Indemnified Party shall have the right to conduct the defense of such claim or any litigation resulting therefrom and in connection therewith to employ, at the Indemnifying Party’s expense, counsel of its choice to represent the Indemnified Party if (i) the Third-Party Claim relates to (or may involve to) or arises in connection with any matter which could involve criminal conduct, (ii) the Third-Party Claim primarily seeks an injunction or equitable relief against the Indemnified Party, (iii) the Indemnifying Party, in the reasonable judgment of the Indemnified Party, has failed to defend or is failing to defend in good faith the Third-Party Claim, or (iv) the Third-Party Claim would reasonably be expected to have an adverse effect on the

Indemnified Party's business or relates to its customers, suppliers, vendors or other service providers. The Indemnified Party may, at its election and at its sole cost and expense, participate in the defense of any Third-Party Claim for which the Indemnifying Party has assumed and is conducting the defense.

If the Indemnifying Party does not assume and conduct the defense of such Third-Party Claim in accordance herewith, the Indemnified Party may continue to conduct the defense of the Third-Party Claim. If the Indemnifying Party has assumed the defense of a Third-Party Claim as provided herein, the Indemnifying Party shall not be liable for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof; **provided, however,** that if: (a) the Indemnifying Party has failed to take reasonable steps necessary to defend diligently such Third-Party Claim, or (b) the named parties of any such proceeding (including any impleaded parties) include both the Indemnifying Party and the Indemnified Party and, in the written opinion of outside counsel for the Indemnified Party, representation of both parties by the same counsel would be inappropriate due to actual differing interests between them, the Indemnified Party may assume and conduct its own defense, and the Indemnifying Party shall be liable for all reasonable costs or expenses paid or incurred in connection therewith.

Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), except as provided herein. If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim.

Direct Claims.

Any claim by an Indemnified Party with respect to Damages that do not result from a Third-Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving a notice of such claim with reasonable promptness to the Indemnifying Party (and in any event within thirty (30) days of such Indemnified Party becoming aware of any events or facts that would reasonably be expected to result in any Damages for which such Indemnified Party is entitled to indemnification under this Agreement) specifying in reasonable detail (a) the nature of the claim for indemnification and the basis thereof, and, if known, the estimated amount or method of computation of any Damages incurred or reasonably expected to be incurred by the Indemnified Party together with such supporting documents reasonably available to such Indemnified Party, and (b) a reference to the provision or provisions of this Agreement upon which such claim is based to the extent of the facts then known by the Indemnified Party (an "Indemnity Notice"). In

the event that within thirty (30) days after the receipt by the Indemnifying Party of such Indemnity Notice from the Indemnified Party, the Indemnified Party shall not have received from the Indemnifying Party a written objection to such claim, such claim shall be conclusively presumed and considered to have been assented to and approved by the Indemnifying Party.

If within the thirty (30) day period described above the Indemnified Party shall have received from the Indemnifying Party a notice setting forth the Indemnifying Party's objections to such claim and the Indemnifying Party's reasons for such objection, then the Parties shall negotiate in good faith for a period of thirty (30) business days from the date the Indemnified Party receives such objection (the "Negotiation Period"). After the Negotiation Period, if the Parties still cannot agree on the claim, the Parties may submit the dispute to litigation.