AGREEMENT

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CORTLAND ROAD SEWER DISTRICT

and

VILLAGE OF DRYDEN

THIS AGREEMENT made the Day of , 2004, by and between TOWN OF DRYDEN (Town) and the VILLAGE OF DRYDEN (Village), municipal corporations organized and existing under the laws of the State of New York.

RECITALS

- A. The Town of Dryden has formed a sewer district known as the Cortland Road Sewer District (District).
- B. The Town is prepared to contract (on behalf of said District) for the purpose of receiving and transporting wastewater from properties within the Sewer District.
- C. The Town recognizes that based on the report by PLS Engineering dated July 2003, growth in the Cortland Road Sewer District may overload the existing Village Collection System.
- D. The parties recognize and agree that cooperation between the parties hereto, the Village of Dryden and the Town of Dryden is necessary for the operation and maintenance of the Village of Dryden Wastewater Treatment Plant and Collection System.
- E. The Village is willing to accept the wastewater from the Cortland Road Sewer District on the terms hereinafter set forth.
- F. The Village currently services the Cortland Road Sewer District, including Dryden Middle School, Dryden High School, Tompkins Cortland Community College, and TC3 Foundation, all which

are located within the District.

G. The Town has previously obtained a permanent easement over the abandoned Lehigh* Valley Railroad Property between the Village of Dryden and the Village of Freeville, for the installation and maintenance of sewer and water lines.

TERMS

1. The Village agrees to receive into its sewer system the wastewater from the Cortland Road Sewer District as that District is currently constituted, subject to and on the terms and conditions herein set forth.

7. The town agrees to construct interceptor lines in the Village to alleviate surcharged piping created by use outside the Village limits.

The Town agrees, at its own cost and expense, to construct all necessary sewer lines within the District and to connect into the Village system at approved locations and, as necessary, to replace or repair all sewer lines within the District.

4. The fee to be paid to the Village by the District for each unit within the District which shall connect to the sewer system shall be one and one quarter (1-1/4) times the rate charged to all Village residents, as such rate may be changed from time to time. The current Village rates are set forth as

follows:

First 1250 gallons

\$37.00 (minimum bill)

Next 13750 gallons

\$ 2.35 per thousand

Next 25000 gallons

\$2.75 per thousand

Next 20000 gallons

\$2.95 per thousand

Next 40000 gallons

\$3.15 per thousand

Next 100,000 gallons

\$3.35 per thousand

- 5. The Village will provide and install water meters for any users in the District not served by Village water for the purposes of measuring water usage and calculating user fees. Such meter to be installed by owner subject to Village Inspection and upon payment to the Village of Dryden for the standard meter charge. The Town agrees to adopt a water meter ordinance or local laws or rules or regulations, as the case may be, governing the use of the water meters. Such ordinance, local law, or rules, or regulations are to be consistent with the Village of Dryden ordinances, local laws, or rules and regulations pertaining to the Village's water meters.
- 6. The Village shall calculate the bill for each user in the District and shall bill the District for the total amount of such bills at the same frequency as that for Village residents (currently, on a quarterly basis). The District agrees to pay to the Village the amount of such bill under the same terms and time periods for regular Village customers (currently within thirty (30) days of its receipt). The billing arrangement between the Village and the District shall be on the same basis as if the District were a Village customer.
- 7. The town agrees to enact a sewer ordinance or local law or rules and regulations, as the case may be, governing the use of the Cortland Road Sewer System and the collection and transportation of wastewater in the sewer system through the sewer mains to the Village of Dryden sewer mains. Such ordinance, local law, or rules and regulations are to be consistent with the Village of Dryden ordinances, local laws, or rules and regulations pertaining to the Village's sewer system.
- 8. The Village may inspect any lateral, main, connection, or part of the Cortland Road Sewer District in order to determine whether a violation of the District's or the Village's local law, ordinance, rules or regulations exists.
- 9. The town, at its cost and expense, agrees to inspect, maintain and repair all mains installed in the District and to perform such work and inspections as are reasonably required by the Village to

insure the property operation of the District's sewer system.

- 10. The obligation of the Village to receive wastewater from the District shall be limited to a gallonage figure to be computed according to the terms of this paragraph. In no event shall the gallonage agreed to be received by the Village from the District be greater than (currently 43,000 according to Contract gallonage needs to be determined by Village Engineer).
- 11. The parties recognize and agree that one of the primary considerations in entering into this contract is the assurance that the Village will continue to have in the sewer plant at least the same amount of excess capacity it currently has.
- 12. The District shall provide for the design, construction, and installation of a manhole at such location as may be approved by the Village for the measuring of the daily flow of sewage from the District sewer system into the Village sewer system. Said manhole shall provide a place for inspection of the flow and for the installation of portable metering devices so as that the flow into the village sewer system can be measured from time to time. The cost of measuring such flow and maintenance of the manhole shall be an obligation of the Village. The Town shall be entitled to a copy of all records and reports made in any inspection of the flow at said manhole.
- 13. The Town shall pay its proportionate share of the costs to upgrade treatment at the Village sewer plant to specifications required by the Department of Environmental conservation f(DEC) and Environmental Protection (EPA). The cost of increasing the capacity of the Village sewer plant to accomadate the anticipated flow from the District shall be paid by the town toward the end that the Village would have at least the amount of excess capacity it currently has. The proportionate share is to be divided on a quarterly basis. The share is to be determined by dividing the number of gallons billed for in the Town verses the number of gallons billed for in Village as per the October 15, 2002 through the October 15, 2003 billing periods.

- 14. The Village shall indemnify and hold harmless the Town from and against all suits or claims for injury or damage to person or property allegedly caused through negligent act or omission of the Village, and the Town shall indemnify and hold harmless the Village from and against all suits or claims for injury or damage to person or property allegedly caused through a negligent act or omission of the town.
- 15. The Village shall not be responsible for any damages resulting from any failure to supply transmission or treatment or for interruption of the sewage service furnished hereunder, if such damage is caused by "an act of God."
- 16. The District agrees to pay charges to the Village at the same frequency that the Village bills its own Village resident customers. The village currently bills on a quarterly basis and in the event that the Village changes the frequency of its bills, the same frequency shall apply to users in the District.
- 17. This agreement may be amended, modified, canceled or extended by mutual agreement of the parties hereto by an agreement in writing executed by them; but no such amendment, modification, cancellation or extension shall be effective until fully executed and approved.
- 18. Neither party hereto shall assign, transfer or convey this agreement or any part thereof, or any interest herein, without the consent in writing of the other.
- 19. Each party hereby agrees to comply with all of the rules and regulations of DEC and EPA pertaining to it.
- 20. The term of this contract shall run for a term of 20 years. Review of the usage and the terms of this contract shall be conducted at 5 year intervals. After 20 years, this agreement may be renewed by agreement of the parties on a year to year basis for up to an additional 20 years.

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21. If, in the future, the District requests the Village to accept more than the daily gallonage of sewage as herein set forth, and the Village elects to accept such increase, the cost of increasing the

capacity of the sewer plant, increased costs of operation and any costs necessary to comply with DEC and EPA regulations shall be paid by the District. No such additional sewage will be accepted unless the Village, after such increase, will have available at least the same amount of excess capacity as it had prior to any improvements made necessary thereby.

22. The Town agrees to grant to the Village a permanent easement over the abandoned Lehigh Valley Railroad property between the Village of Dryden and the Village of Freeville for the installation of the outfall pipe from the Village of Dryden system to Fall Creek.