

SHUT-OFF AGREEMENT

THIS AGREEMENT, made this 17th day of August, 2016, by and between the Mountaintop Area Joint Sanitary Authority, a municipal entity of the Commonwealth of Pennsylvania, having an office for the transaction of business at 290 Morio Drive, Mountain Top, Pennsylvania, 18707 (hereinafter called the "MAJSA") and PENNSYLVANIA-AMERICAN WATER COMPANY, a public utility corporation of the Commonwealth of Pennsylvania, with its principal place of business at 800 West Hersheypark Drive, Hershey, Pennsylvania 17033, (hereinafter called the "Water Company").

WITNESSETH

THAT WHEREAS, the MAJSA is engaged in supplying sewage service to the citizens and residents of the Fairview, Wright and Rice Townships, Luzerne County, Pennsylvania; and

WHEREAS, the Water Company, a corporation as aforesaid, is the owner and operator of a water distribution system serving the customers in the aforesaid area, under the applicable Rules and Regulations of the Pennsylvania Public Utility Commission; and

WHEREAS, the Water Company is authorized and required at the request and direction of the MAJSA pursuant to the provisions of the Act of April 14, 2006, P.L. 85, 53 P.S. Sections 3102.501 et. seq., to shut-off the supply of water from its system to any premises in which the rentals, rates and charges for sewer, sewage or sewage treatment service supplied by the MAJSA are unpaid and the claim or lien for such service has been assigned to the MAJSA.

WHEREAS, certain notice requirements relating to the shut-off of the supply of water are set forth therein and the Utility Service Tenants Rights Act of November 26, 1978, P.L. 1255, No. 299, 68 P.S. Sections 399.1 et seq.; and

WHEREAS, both parties believe that they should enter into a written agreement specifically setting forth the duties, obligations, responsibilities and liabilities of each party to each other and such agreement is specifically authorized by the Act of April 14, 2006, P.L. 85, 53 P.S. Section 3102.501 et seq.

NOW THEREFORE, in consideration of the sum of ONE DOLLAR (\$1.00) and other good and valuable consideration, and the covenants hereinafter expressed, the parties hereto do mutually agree as follows:

1. Upon written request by the MAJSA specifying a premises in the MAJSA's service area with regard to which the rentals, rates and charges for sewer, sewage or sewage treatment service shall not have been paid for a period of at least thirty days from the due date thereof, the Water Company shall proceed to shut-off the supply of water to such premises until it is advised in writing by the MAJSA that all such overdue rentals, rates and charges, together with any interest thereon, have been paid or the MAJSA directs otherwise; PROVIDED HOWEVER, that said written request be accompanied by a statement in writing by a responsible officer of the MAJSA setting forth:

A. For any premises other than a residential building for which the landlord is the party responsible for the payment of sewer service:

i. that the MAJSA has given ten (10) days' written notice of its intention to request the Water Company to shut-off the supply of water from its system to such premises has been mailed to the person liable for the payment of such rentals and charges and the owner of the property or property manager,

ii. that the MAJSA has posted, at least ten days, a written notice to this effect at the main entrance to the premises, and

iii. that the MAJSA has not received, during the ten day period, a written statement under oath or affirmation from the person liable for the payment of the said rentals and charges stating that the said owner has a just defense to the claim or part thereof;

B. For any residential building for which the landlord is responsible for the payment of sewer service:

i. that the MAJSA complied with the Utility Service Tenants Rights Act and has given the landlord at least thirty-seven (37) days' written notice of the proposed termination and has given a copy of the notice to the appropriate governmental agency (the Department of Licenses and Inspections of any city of the first class; the Department of Public Safety of any city of the second or third class; and the County Public Health Department in any other political subdivision).

ii. that the termination notice contained the following:

a. the amount owed the sewer system by the landlord for each affected account;

b. the date on or after which water service will be discontinued;

c. the date on or after which the MAJSA will notify tenants of the proposed termination of water service and their rights;

d. a statement of the obligation of the landlord to provide the MAJSA with the names and addresses of every affected tenant or to pay the amount due the MAJSA or make an arrangement with the MAJSA to pay the balance, including a statement that this list must be provided or payment or arrangement must be made within seven (7) days of receipt of the notice; and of the penalties and liability which the landlord may incur by failure to comply (a civil penalty of not more than \$500 for each day of failure to respond, plus reasonable attorneys' fees);

- e. a statement of the right of the landlord to stay the notification of tenants by filing a petition with the Court disputing the right of the MAJSA to cause termination of water service.
- iii. that at least seven (7) days after notice to the landlord and at least thirty (30) days before any termination of service, each tenant was provided notice of the proposed termination of water service, the notice containing:
- a. the date on which the notice was rendered;
 - b. the date on or after which water service will be discontinued;
 - c. a statement of the circumstance under which service to the affected tenant may be continued;
 - d. the bill for the thirty (30) day period preceding the notice to the tenants;
 - e. a statement of the statutory rights of a tenant to deduct the amount of any direct payment to the MAJSA from any rent payments then or thereafter due; to be protected against any retaliation by the landlord for exercising such statutory right; and to recover money damages from the landlord for any such retaliation;
 - f. a statement that the tenants may make payment to the MAJSA on account of nonpayment by the landlord only by check or money order drawn by the tenant to the order of the sewer system;
 - g. a telephone number at the MAJSA which a tenant may call for an explanation;
 - h. a statement that the information in the notice to tenants was also posted by the MAJSA in those common areas of the premises where it is likely to be seen by the affected tenants.
- iv. that the landlord has not paid the amount due or made an arrangement to pay the amount;
- v. that the landlord has not filed an unresolved petition with the Court disputing the right of the MAJSA to cause termination of the water service;

- vi. that the tenants have not exercised their rights to continued service.

AND FURTHER PROVIDED that no occupant of said premises has produced a medical certification by a physician to be seriously ill or affected with a medical condition which will be aggravated by a cessation of water service or failure to restore water service, as provided for in 52 Pa. Code §§56.111-56.118, as amended.

2. The MAJSA shall pay to the Water Company concurrently with the delivery of the written request mentioned in Section 1, above, the sum of Thirty Dollars (\$30.00) to cover the Water Company's cost of shutting off the water supply to each premises listed in such request. The MAJSA shall also pay to the Water Company, upon its request therefore, the further sum of Thirty Dollars (\$30.00) to cover the Water Company's cost of restoring water service to each such premises. In the event that the actual cost incurred by the Water Company in discontinuing and restoring water service to any such premises is more than the Thirty Dollars (\$30.00) charge, the MAJSA shall remit the actual cost thereof to the Water Company based on time, material, transportation and other fixed charges. The fees fixed hereunder may be amended from time to time as agreed by the parties hereto.

3. The MAJSA shall pay to the Water Company the estimated loss of water revenues resulting from each such shut-off made hereunder. Such estimated loss of water revenues shall be based upon the actual period of time during which the supply of water is shut-off in each instance and the average water revenue received by the Water Company for a like period of time during the year prior to such shut-off from the class of customer involved in each instance, as determined from the books and records of the Water Company. The estimated loss of revenue shall be billed by the Water Company to the MAJSA periodically at the same time as the Water Company would have billed the customer if the water had not been shut-off, and the MAJSA shall pay each such bill within thirty (30) days of receipt thereof.

4. The Water Company shall not be liable for any loss, damage or other claim asserted by the owner, person or corporation based on or arising out of the shutting off of such supply of water. The MAJSA shall indemnify and save harmless the Water Company, its agents, officers, servants or employees from any such loss, damage or other claim arising out of said activity pursuant to the terms of the Agreement. Notwithstanding the aforementioned language, the MAJSA shall not be responsible for any loss, damage or claim asserted by said owner, person or corporation due to negligence on the part of the Water Company, its agents, officers, servants or employees, while performing any services for the MAJSA pursuant to this agreement.

5. If a dispute shall arise between the parties hereto regarding any of the provisions of this Agreement, such dispute may be submitted by either of the parties to the Pennsylvania Public Utility Commission whose decision, unless reversed on appeal, shall be final.

6. This Agreement may be terminated by either of the parties hereto by ten (10) days' written notice given to the other party at its principal place of business.

7. This Agreement shall become effective thirty (30) days after the Water Company has filed a copy thereof with the Pennsylvania Public Utility Commission or, in the event that the said Commission institutes an investigation, at such time as the said Commission grants its approval thereof.

8. The Water Company shall have the right to increase the above-referenced amount of Thirty Dollars (\$30.00) from time to time, in the event that the cost to the Water Company for performing the service hereunder increases, upon sixty (60) days' written notice to the MAJSA. It is further understood and agreed that the aforesaid amount of Thirty Dollars (\$30.00) for the shutting off and restoring of water service under the provisions of this Agreement shall be automatically increased to coincide with the charges for shutting off water service and restoring water service contained in the Company's tariff as on file with and approved by the Pennsylvania Public Utility Commission from time to time.

9. Notwithstanding the provisions of this Agreement, it is understood and agreed by the parties hereto that the Water Company shall be required to comply with any existing regulations of the Pennsylvania Public Utility Commission relating to notice before termination, in addition to providing any notice that might otherwise be required under this contract or any applicable law or ordinance.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed and attested by their proper officers and their respective seals to be hereto affixed the day and year first above written.

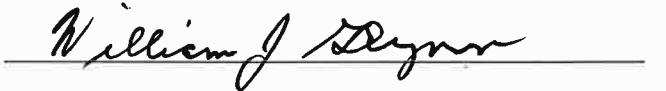
This Agreement will be effective on the 18 day of AUGUST, 2016

ATTEST:



Secretary
(SEAL)

BY:



Chairman
(Title)


ATTEST:



Secretary
(SEAL)

PENNSYLVANIA-AMERICAN WATER COMPANY

BY:



(Vice) President

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