MAIN EXT AGRMT Agreement No.: <u>054063</u> FID No. 232558483

MAIN EXTENSION AGREEMENT

THIS AGREEMENT made this 19th day of February, A.D. 2010, by and between the Commonwealth of Pennsylvania, acting through the Secretary of Transportation, hereinafter called Commonwealth,

and

Smithfield Sewer Authority, a municipal authority within the Commonwealth with its principal place of business located at RR 5, Box 5229, East Stroudsburg, PA 18301, hereinafter called Utility.

WITNESSTH:

WHEREAS, the Commonwealth proposes to construct S.R. 0209, Section 007 in Monroe County, hereinafter referred to as the "Project"; and,

WHEREAS, the Commonwealth is required by the Mitigation Measures of the Final Environmental Impact Statement and Section 404 Permit Application to ensure that public sewer lines are extended south from the Village of Marshall's Creek to the Van D. Yetter Mobile Home Park to eliminate the need to relocate all of the mobile homes in the park due to the loss of the park's sewage disposal facilities as a result of said Project; and,

WHEREAS, this Project will require the installation of certain facilities by the Commonwealth's contractor as approved by Utility to extend the public sewer lines as required by said Project and the purchase of seventeen (17) EDU allocations; and,

WHEREAS, the Utility has agreed to grant the seventeen (17) EDUs because the granting of said EDU's will eliminate a public health hazard in the future since the highway right-of-way will traverse the present drain field servicing Van D. Yetter Mobile Home Park; and,

WHEREAS, the Commonwealth has agreed to design, construct, adjust and install said sewer facilities and/or services on behalf of the Utility and will bear the cost of the purchase of the seventeen (17) EDUs which is seventy six thousand, five hundred dollars (\$76, 500.00); and,

WHEREAS, the design plans have been developed and approved by the Utility; and,

WHEREAS, any facilities constructed, adjusted, installed or remaining at a location within the right of way of a Commonwealth highway will be accommodated in accordance with the provision of the current 23 Code of Federal Regulations, Part 645, Subpart B, of the Federal Highway Administration, United States Department of Transportation; and

WHEREAS, the necessary right of way for any facilities constructed, adjusted, installed or remaining at a location outside the right of way of a Commonwealth highway will be acquired by the Commonwealth and transferred to the Utility by deed of easement; and

WHEREAS, the installation of the facilities will be accordance with the Commonwealth's Standards for Roadway Construction, Publication Number 72 and the Commonwealth's Specifications, Publication 408; and,

NOW THEREFORE:

For and in consideration of the promises, and mutual covenants hereinafter contained and with the intent to be legally bound hereby, the parties agree as follows:

- 1. Utility and Commonwealth agree to cooperate so as to coordinate their respective schedules and reviews in an effort to not delay the completion of the Project.
- 2. Commonwealth will design, construct, adjust and install Utility's facilities, consisting of sewer extension, together with fittings and appurtenances thereto between Station 21+400 and Station 21+660, on S.R. 1019, Monroe County, in the manner and at the location approved by the Commonwealth and accepted by Utility. Detailed cost estimates and plans showing the installation and adjustments of the Utility's facilities are incorporated herein by reference and made a part hereof as if physically attached hereto, copies of said estimates and plans being in the possession of the Parties.
- 3. Commonwealth will acquire an easement for the facilities that will be located outside of the required right-of-way, and will convey said easement(s) to Utility by separate deed of easement document upon completion of the Project. The location of said easement is found at pages 80A and 80 B of the Right-of-Way plans recorded in the Recorder of Deeds of Monroe County at Docket # 217, Pages 80 B and 81A, on January 11, 2007, attached hereto and incorporated herein as Exhibit "A".
- 4. The facilities will be installed in accordance with the plans that have been approved by the Utility. The Utility may, as it deems necessary, have inspectors at the site during construction. Commonwealth agrees reimburse Utility for its actual costs of inspection directly related to the Project, which Utility estimates at \$7500.00 with the estimate in the possession of Utility and Commonwealth. It is understood and agreed that Utility may bill Commonwealth no more frequently than sixty (60) days or upon incurring Five

Thousand (\$5,000.00) Dollars in inspection costs, whichever first occurs for any and all actual and approved costs within the scope of the Project. Upon receipt of such billing and verification, Commonwealth will promptly pay Utility the entire amount of such periodic billings.

5. Commonwealth will make payments to the recipient of the funding through the Automated Clearing House ("ACH"). Within 10 days of the contract execution date, the recipient of the funding must submit or must have already submitted its ACH information to the Commonwealth's Central Vendor Management Unit at 717-214-0140 (FAX) or by mail to the Central Vendor Management Unit, Bureau of Financial Management, Verizon Tower—6th Floor, 303 Walnut Street, Harrisburg, PA 17101-1830. A copy of the ACH enrollment form can be obtained online at

www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf

- 6. Commonwealth's reimbursement to Utility as aforesaid shall be in accordance with the provisions of Federal Highway Administration's (FHWA) Federal Aid Policy Guide (23 CFR) and any supplements and amendments thereto. Commonwealth will reimburse Utility without delay all the actual cost of the aforesaid work, upon receipt by Commonwealth of Utility billing and confirmation thereof by Commonwealth which may include, but not be limited to time sheets of Utility and/or others to substantiate the billing. Utility agrees to make its invoices and records available for audit and agrees to be bound by the terms and conditions of the audit clause attached hereto as Exhibit "B".
- 7. Utility will assume ownership and maintenance of the facilities constructed pursuant to this agreement upon completion of construction. Commonwealth will provide written notice of completion of construction to Utility. A deed of easement will be executed by Commonwealth to Utility for the easement area acquired by Commonwealth for the completion of this project as defined in Paragraph 3 above.
- 8. Commonwealth will purchase the EDUs outright on behalf of the affected property owners. Upon completion of the sewer main extension and application of the individual property owners for service, Commonwealth will no longer be responsible for costs associated with sanitary sewer service.
- 9. Materials furnished and work performed under this Agreement will be subject at all times to the inspection and approval of Utility, Commonwealth and the FHWA and/or their duly authorized representatives.
- 10. Commonwealth will issue a Utility Relocation Permit under a UR-HOP subject to the provisions of 67 Pa. Code, Chapter 459, Pennsylvania Department of Transportation Regulations Governing Occupancy of Highways by Utilities, Design Manual Part V and 23 CFR to Utility to occupy the highway right of way for those facilities which are within S.R. 1019.
- 11. Maintenance and operating costs of the public sewer system constructed for this Project shall be the responsibility of Utility.

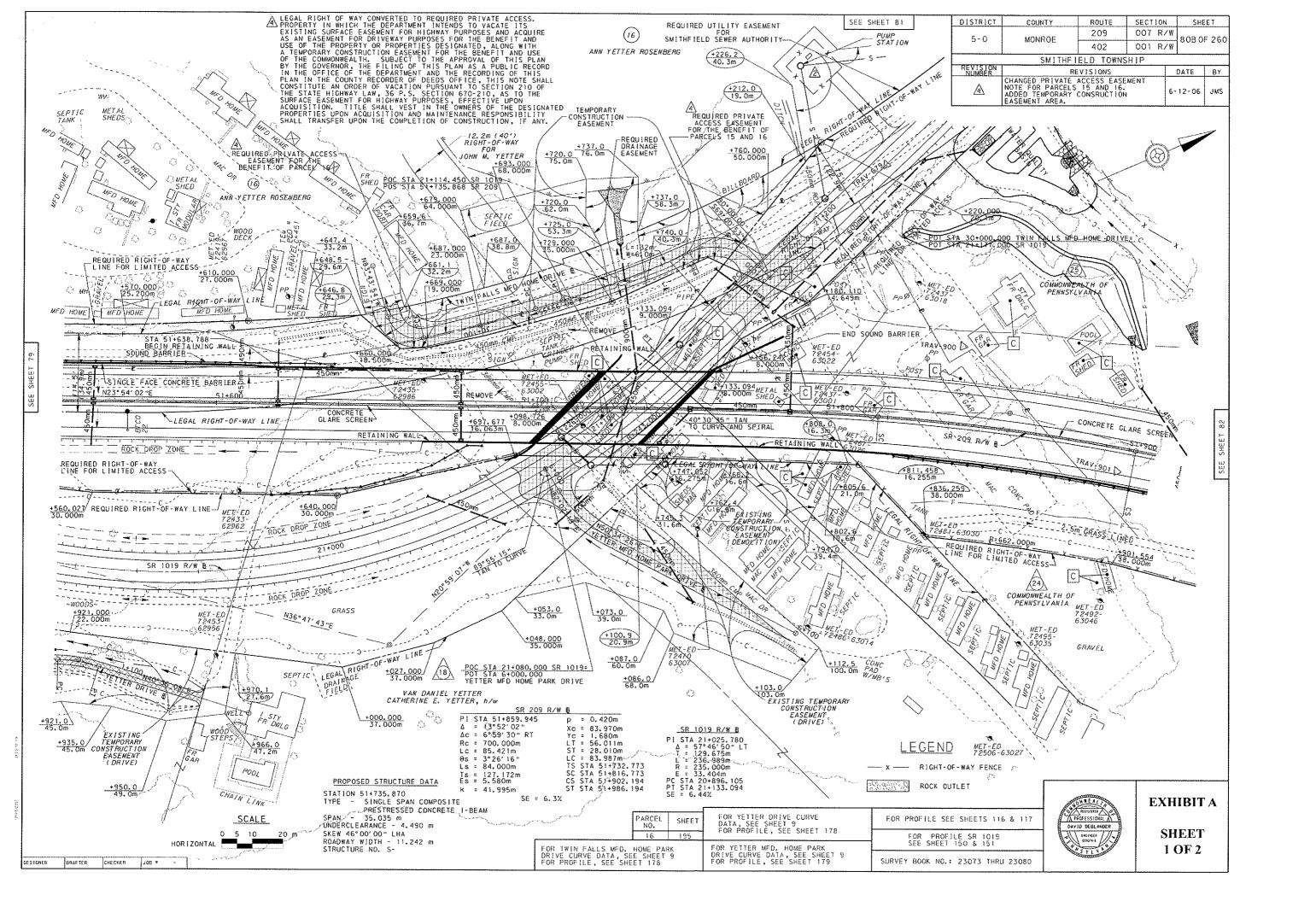
- 12. Attached hereto and made a part hereof is the Commonwealth's Non-Discrimination Clause, Form CC4297A attached hereto and incorporated herein as Exhibit "C" which Utility hereby adopts and agrees to by execution of this agreement.
- 13. Utility covenants and agrees to comply with a directive entitled "Contractor Integrity Provisions for Commonwealth Contracts" dated December 20, 1991, a copy of which is attached hereto an incorporated herein as Exhibit "D".
- 14. Utility and Commonwealth agree to comply with and ensure the compliance with by incorporation into all subcontracts hereunder, the Provisions Concerning the Americans with Disabilities Act which is attached hereto and incorporated herein as Exhibit "E".
- 15. This Project is subject to and contingent upon the approval for eligibility of Federal Funds by the FHWA and failure to obtain such approval shall relieve the parties of their obligations under this Agreement.
- 16. It is further agreed that if, for any reason, the highway construction project referred to herein shall be canceled, abandoned, or revised, in such a manner that the work described in this Agreement should be no longer required, in the opinion of the Secretary of Transportation, then in such event, the only amount which will be payable to the Utility will be the actual and related indirect costs of the work actually completed at the time of notification by the Commonwealth of the said cancellation, abandonment or revision.

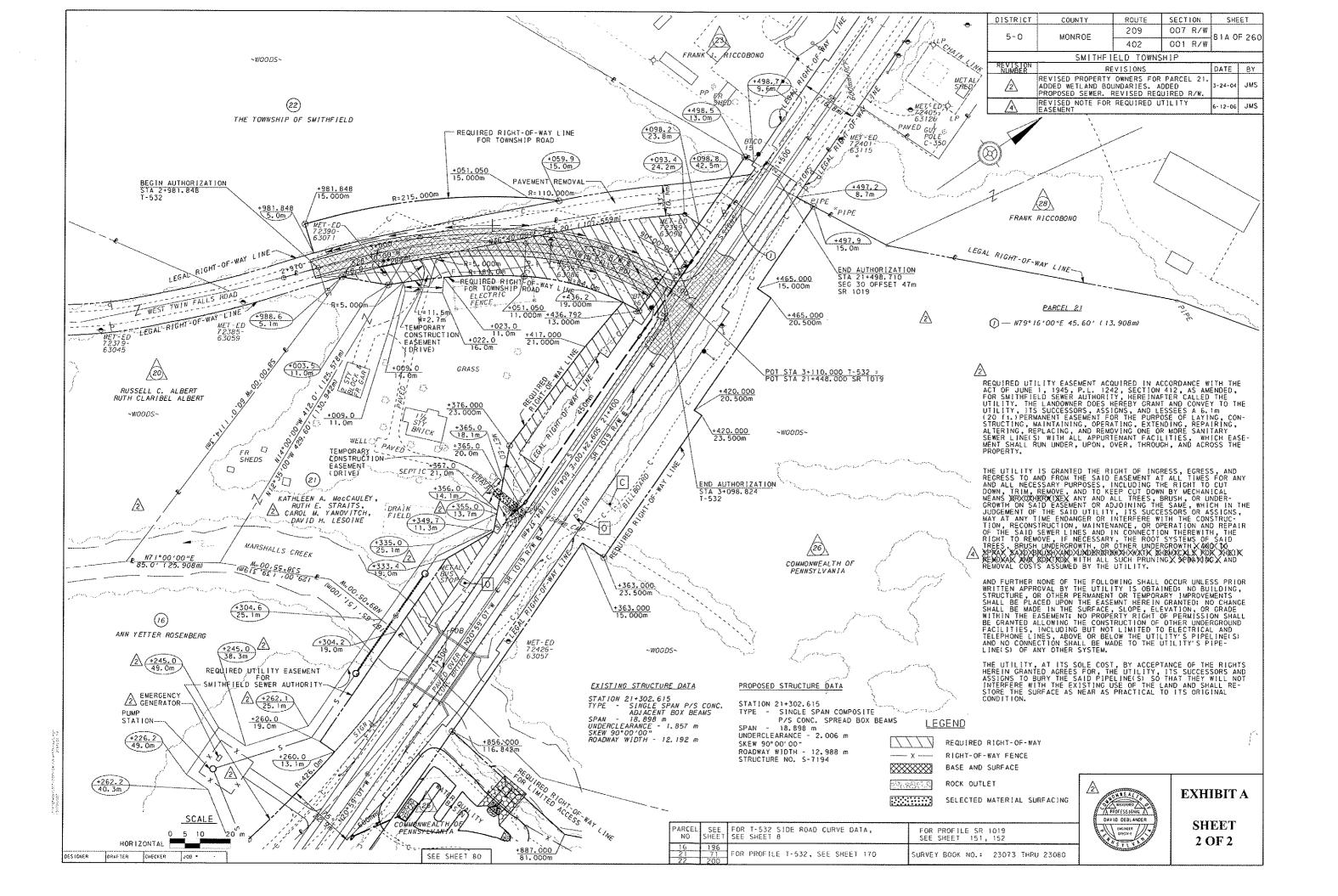
IN WITNESS WHEREOF, the parties have caused these presents to be executed, attested and ensealed by their proper officials, pursuant to due and legal action authorizing the same to be done, the day and year first above written.

ATTEST:	SMITHFIELD SEWER AUTHORITY
Jaio J. Teur 12/14/09 Date	by Munul Deta @ 12/14/09 Signature Date
Assistant Secretary Title (Seal)	Title Chairman
	COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF TRANSPORTATION by Least One 2/6/10
	Signature Date Deputy Secretary of Transportation
Do not write below this line - PADOT use	=======================================
APPROVED AS TO LEGALITY AND FORM by Mulael Malery Chief Counsel Date/2/29/	PRELIMINARILY APPROVED by
by <u>Aughtelliot</u> 1/12/10 Deputy Attorney General Date	12/24/0
by 10209 Office of General Counsel Date	-
APPROVED FOR: OFFICE OF THE BUDGET by	RECORDED No. 4054063000 Certified Funds Available Under Activity Program 1058109/16343 Symbol 7840540000 Amount \$ 16,500 by 9 welf avail 2 19/10
Signature Date Comptroller	For Signature Date Comptroller

MUNICIPAL/AUTHORITY RESOLUTION

BE IT RESOLVED by authority of the	Smithfield Sewer Authority (Borough Council, Board of Supervisors, etc.)
of the Smithfield Township ,	Monroe
(Name of Municipality)	(Name of County)
County, and it is hereby resolved by author	ority of the same, that the <u>Chairman</u> (Chairman or designated Title)
of said Municipality/Authority be authorized	zed and directed to sign the attached Agreement on its behalf
and the <u>Assistant Secretary</u> (Sec. or Desi	be authorized and gnated Title)
directed to attest the same.	
	Smithfield Sewer Authority
	(Name of Municipality)
ATTEST: July Jur	N BY: Munde D Sittle
(Signature and Title) Assistant Secretary	(Signature and Title) Chairman
(SEAL)	
. Tais I man	
I, Lois J. Turr (Name of Authority)	of the Smithfield Sewer Authority
do hereby certify that the foregoing is a tru	ue and correct copy of the Resolution adopted
12/14/2009 at a regular meeting of th (Date)	e <u>Sewer Authority</u> held the
14thay of <u>December</u> , 20 <u>09</u> .	
<u>12/14/2009</u> DATE	





AUDIT CLAUSE TO BE USED IN AGREEMENTS WITH SUBRECIPIENTS RECEIVING FEDERAL AWARDS FROM THE COMMONWEALTH AUDIT REQUIREMENTS.

The [NAME OF SUBRECIPIENT] must comply with all federal and state audit requirements including: the Single Audit Act, as amended, 31 U. S. C. 7501 et. seq.; Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended; and any other applicable law or regulation and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government.

If the [NAME OF SUBRECIPIENT] is a local government or non-profit organization and expends total federal awards of \$500,000 or more during its fiscal year, received either directly from the federal government or indirectly from a recipient of federal funds, the [NAME OF SUBRECIPIENT] is required to have an audit made in accordance with the provisions of OMB *Circular A-133*.

If the [NAME OF SUBRECIPIENT] expends total federal awards of less than \$500,000 during its fiscal year, it is exempt from these audit requirements, but is required to maintain auditable records of federal awards and any state funds which supplement such awards, and to provide access to such records by federal and state agencies or their designees.

SUBMISSION OF AUDIT INFORMATION TO THE COMMONWEALTH.

The [NAME OF SUBRECIPIENT] must submit copies of the audit report package to the Commonwealth, which shall include:

- 1. Data Collection Form.
- 2. Financial statements and schedule of expenditures of federal awards.
- **3.** Auditor's reports on the financial statements and schedule of expenditures of federal awards, internal control and compliance as well as a schedule of findings and questioned costs.
- 4. Summary schedule of prior audit findings.
- **5.** Corrective action plan.
- 6. Management letter comments.

The number of copies to be submitted shall equal one for the Bureau of Audits (archival copy) plus one for each Commonwealth agency which provided federal pass-through awards to the entity, as reflected in the entity's Schedule of Expenditures of Federal Awards. The audit report package should be submitted to the:

Office of the Budget/Bureau of Audits Division of Subrecipient Audit Review Verizon Tower – 6th Floor 303 Walnut Street Harrisburg, PA 17101 Phone: (717) 783-9120

Fax: (717) 783-0361

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB *Circular A-133*.

GENERAL AUDIT PROVISIONS.

The [NAME OF SUBRECIPIENT] is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary by Commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the [NAME OF SUBRECIPIENT]'s auditor, and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional expense to the [NAME OF SUBRECIPIENT].

Audit working papers and audit reports must be retained by the [NAME OF SUBRECIPIENT]'s auditor for a minimum of three years from the date of issuance of the audit report, unless the [NAME OF SUBRECIPIENT]'s auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit working papers will be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the General Accounting Office.

COMMONWEALTH NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

Each contract entered into by a governmental agency shall contain the following provisions by which the Contractor agrees:

- 1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the contractor, subcontractor, or any person acting on behalf of the contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- 2. Neither the contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.
- . 3. Contractors and subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- 4. Contractors shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relates.
- 5. The contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to their books, records, and accounts by the contracting agency and the Bureau of Contract Administration and Business Development, for purposes of investigation, to ascertain compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. If the contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, the contractor or subcontractor shall furnish such information on reporting forms supplied by the contracting agency or the Bureau of Contract Administration and Business Development.
- 6. The contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provision will be binding upon each subcontractor.
- 7. The Commonwealth may cancel or terminate the contract, and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the contractor in the Contractor Responsibility File.

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CONTRACTOR INTEGRITY PROVISIONS

- 1. For purposes of this clause only, the words "confidential information," "consent," "contractor," "financial interest," and "gratuity" shall have the following definitions.
 - **a. Confidential information** means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
 - **b.** Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.
 - **c. Contractor** means the individual or entity that has entered into the Contract with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a five percent interest.
 - d. Financial interest means:
 - 1) Ownership of more than a five percent interest in any business; or
 - Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
 - **e. Gratuity** means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.
- 2. The Contractor shall maintain the highest standards of integrity in the performance of the Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.
- 3. The Contractor shall not disclose to others any confidential information gained by virtue of the Contract.
- 4. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly, or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
- 5. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.
- **6.** Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under the Contract except as provided therein.
- 7. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
- 8. Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.
- 9. The Contractor, by execution of the Contract and by the submission of any bills or invoices for payment pursuant thereto, certifies, and represents that he or she has not violated any of these provisions.
- 10. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents or files of any type or form which refers to or concern the Contract. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.
- 11. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

AMERICANS WITH DISABILITIES ACT

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of subparagraph a above.