

PRE-DEVELOPMENT AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2006, by
and between:

**CECIL TOWNSHIP MUNICIPAL AUTHORITY, a body corporate and politic,
constituting a public corporation and governmental instrumentally organized and existing
under the Municipality Authorities Act, Public Law 382, Approved May 2, 1945, as
amended, (hereinafter referred to as the “Authority”)**

-AND-

(hereinafter referred to as “Developer”)

**WHEREAS, the Authority provides sanitary sewage service in Cecil Township,
Washington County, Pennsylvania; and,**

**WHEREAS, Developer is interested in developing certain property in the
Township; and,**

**WHEREAS, Developer has requested that the Authority explore the options
available for Developer to provide sanitary sewage service to the property; and,**

**WHEREAS, the Authority will incur costs for Engineering, Legal and other
Professional Services, as well as overhead and other miscellaneous administrative costs of
the Authority in exploration of the options available (hereinafter, the “Costs”); and,**

WHEREAS, the Developer is willing to be responsible for the Costs.

NOW THEREFORE, in consideration of the foregoing, and intending to be mutually and legally bound by the terms and conditions as set forth herein, the Authority and Developer hereby agree, as follows:

- 1. The Developer, and Developer alone, shall be responsible for all of the Costs incurred in connection with the exploration of the options available to the Developer to provide sanitary sewage service to the Property (hereinafter the “Project”). Said Costs shall include but may not be limited to:**
 - a. Cost of all Engineering and other Professional Fees (including overhead costs thereof), other miscellaneous administrative costs incurred by the Authority with its’ engineer in connection with, planning, concept development, land and right of way acquisition, Inter-municipal agreements, and review of plans and specifications of the Project;**
 - b. Costs of all Legal and other Professional Fees (including overhead costs thereof), other miscellaneous administrative costs incurred by the Authority with its solicitor in connection with review of plans and specifications of the Project;**
 - c. Costs of all administrative services of the Authority in connection with this Project.**
- 2. Developer shall deposit with the Authority the sum of \$ _____ (hereinafter “the Deposit”) for the payment of Engineering, Legal and other Professional Services (including overhead costs thereof), overhead costs of the Authority and such additional administrative costs as may be incurred by the Authority as a result of the terms and conditions of this Agreement:**
 - a. This Deposit shall be retained by the Authority and shall be used,**

- periodically, to reimburse the Authority for payment of the Costs;**
- b. Any interest earned or otherwise payable during the period of time that the Authority retains this sum of money as a deposit shall revert to the Authority;**
 - c. The Authority agrees to refund to the Developer, the balance, if any, of the initial and/or any subsequent deposits not expended, less any interest earned on the deposit;**
 - d. In the event that the Engineer's costs, Legal Fees or other Professional Fees, and administrative costs of the Authority exceed the amount described in Paragraph 2 (a), the Authority shall request from the Developer additional sums for deposit for Engineer, Legal or other Professional Fees.**
 - e. Failure of the Developer to make the full initial deposit as described in Paragraph 2 (a) or any subsequent deposits, permits the Authority, its Engineer, Solicitor and/or other Professional to cease working on the Project.**
- 3. The Authority will authorized the legal and engineering services and perform such administrative services as shall be reasonably necessary for the Project.**
 - 4. The Authority has made no assurances to the Developer that Planning Modules or the Designs prepared and presented to the Authority, it's Engineer, Solicitor or other representative will be approved by the Commonwealth of Pennsylvania, Department of Environmental Protection. No liability of any nature shall inure to the Authority or its members, officers, agents, employees or representatives; in the event Developer's property is not approved for connection or connected into the sanitary sewer system of the Authority.**
 - 5. Developer agrees that it will defend and hold harmless the Authority, its members, officers, agents, employees and representatives and its Consulting**

Engineer and Solicitor, or any of them against all claims and suits for damages to person or property caused or alleged to have been caused, or arising from the performance of the Authority, its members, officers, agents, etc., of its obligations under the terms of this Agreement.

- 6. This Agreement shall terminate upon any of the following events:**
 - a. Upon the completion of the exploration by the Authority or its Engineer and/or Attorney of the options available to provide Sanitary Sewage Service to the Property;**
 - b. Upon action of the Authority;**
 - c. Upon action by the Developer;**
 - d. Upon merger of this Agreement with a Developer's Agreement of the Authority executed by all Parties to this Agreement.**

Upon termination pursuant to paragraphs (b) and (c) above, the Authority shall retain those portions of the Deposit sufficient to pay Engineering costs, Legal Fees, or other Professional fees and Administrative Costs of the Authority. Upon termination pursuant to paragraphs (a) and (d) above, the Parties agree to the transfer of those remaining funds in the Pre-Development escrow account, held pursuant paragraph 2 herein to the "Developers Agreement" to be executed by the parties.

IN WITNESS WHEREOF, the parties, intending to be legally bound have hereunto set their hands and seals, the day and year first above written.

WITNESS:

**CECIL TOWNSHIP
MUNICIPAL AUTHORITY**

By: _____

WITNESS:

DEVELOPER

By: _____

WITNESS:

DEVELOPER

By: _____