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SEWAGE TREATMENT CONTRACT

This contract for the treatment of sewage is entered into as of the day of , 20 , between the

*(Address)*

hereinafter referred to as the "Seller" of sewage treatment services and the

*(Address)*

hereinafter referred to as the "Purchaser" of sewage treatment services.

WITNESSETH:

WHEREAS, the Purchaser is organized and established under the provisions of

of the Code of

for the purpose of constructing and operating a sanitary sewage collection system serving users within the area described in plans now on file in the office of the Purchaser and to accomplish this purpose, the Purchaser will require someone to supply sewage treatment services, and

WHEREAS, the Seller owns and operates a sanitary sewer treatment system with a capacity currently capable of serving the present customers of the Seller's system and the estimated number of users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

WHEREAS, by , No. enacted on the day of

, 20 , by the Seller, the treatment of sewage in accordance with the provisions of the said was approved, and the execution of this contract carrying out the said by the

and attested by the Secretary, was duly authorized, and

WHEREAS, by of the

of the Purchaser, enacted on the day of , 20 , the purchase of services to treat sewage in accordance with the terms set forth in the said was approved, and the execution of this contract by the , and attested by the Secretary was duly authorized;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth:

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A. The Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, sewage treatment services meeting applicable standards of the Illinois Environmental Protection Agency in such quantity as may be required by the Purchaser not to exceed gallons per month.

2. (Point of Delivery) That sewage will be furnished at from an existing inch main at a point located Emergency failures due to power failure, flood, fire, earthquake or other catastrophe shall excuse the Seller from providing service for such reasonable period of time as may be necessary to restore service.

3. (Metering Equipment) To furnish, install, operate, and maintain at its own expense at the point of delivery, the necessary metering equipment and required devices of standard type for properly measuring the quantity of sewage delivered by the Purchaser and if any meter fails for any period, the sewage furnished during such period shall be deemed to be the amount of sewage delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on

. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. (Billing Procedure) To Furnish the Purchaser at the above address not later than the day of each month, with an itemized statement of the amount of sewage delivered by the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller, not later than the day of each month, for sewage treated in accordance with the following schedule of rates:

a. $ per 1,000 gallons.

The rate per 1,000 gallons was calculated as follows:

2. (Connection Fee) To pay as an agreed cost, a connection fee to connect the Seller's system with the system of the Purchaser, the sum of dollars which shall cover any and all costs of the Seller for installation of the metering equipment and

.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of years from the date of the initial delivery of any sewage as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

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2. (Delivery of Sewage) That days prior to the estimated date of completion of construction of the Purchaser's sewage collection system, the Purchaser will notify the Seller in writing the date for the initial delivery of sewage.

3. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for sewage treatment are subject to modification at the end of every year period. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder. Other provisions of this contract may be modified or altered by mutual agreement.

4. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

5. (Miscellaneous) That the construction of the sewage collection system by the Purchaser is being financed by a loan made or insured by, and/or a grant from the United States of America, acting through the United States Department of Agriculture Rural Development and the provisions hereof pertaining to the undertakings of the Purchaser are conditioned upon the approval, in writing, of the State Director of the USDA Rural Development.

6. (Successors) That in the event of any occurrence rendering either Party incapable of performing under this contract, any successor to that Party, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of that Party hereunder.

7. (Regulations) That as long as there is an outstanding loan balance due and owing to the United States of America, acting through Rural Development of the United States Department of Agriculture this contract shall be subject to all present and future Rural Development regulations.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in counterparts, each of which shall constitute an original.

Seller:

By:

Attest: Title:

Secretary

Purchaser:

By:

Attest: Title:

Secretary

This contract is approved on behalf of USDA Rural Development this day of , 20 .

By:

Title:

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