

Execution Copy

REFERENCE DOCUMENTS
TO THE
SERVICE CONTRACT FOR
WASTEWATER TREATMENT SYSTEM
CAPITAL IMPROVEMENTS AND ASSET MANAGEMENT

among

THE BOROUGH OF NAUGATUCK, CONNECTICUT

and

THE WATER POLLUTION CONTROL AUTHORITY
OF THE BOROUGH OF NAUGATUCK

and

U.S. FILTER OPERATING SERVICES, INC.

Dated

October 25, 2001

LIST OF REFERENCE DOCUMENTS

- A. National Pollutant Discharge Elimination System (NPDES) Permit No. CT0100641, effective as of August 7, 2001.
- B. National Pollutant Discharge Elimination System (NPDES) Sewage Sludge Incinerator Permit No. CTL000002, effective as of November 14, 1994.
- C. Title V Permit No. 109-0059-TV issued on November 27, 2000.
- D. Sewer Use Regulations, adopted by the Borough of Naugatuck.
- E. Wastewater Facilities Report (Draft Report), dated September 1991, prepared by Stearns & Wheler for the Borough of Naugatuck.
- F. Wastewater Collection System Operation and Maintenance Manual, dated July 1997, prepared by Stearns & Wheler for the Borough of Naugatuck.
- G. Discharge and Access Agreement, dated April 12, 2001, between the Borough of Naugatuck and Crompton Manufacturing Company, Inc.
- H. Agreement, dated May 7, 1970, as amended, between the Borough of Naugatuck and the Town of Middlebury.
- I. Agreement, dated May 20, 1987, as amended, between the Borough of Naugatuck and the Town of Oxford.
- J. Agreement, dated August 8, 1973, as amended, among the Borough of Naugatuck, the Town of Beacon Falls, the Water Pollution Control Board and the Sewer Authority of the Town of Beacon Falls.
- K. Agreement, dated September 5, 1980, between the Borough of Naugatuck and BHE, Inc.
- L. Agreement, dated January 28, 1985, among the Borough of Naugatuck, the Water Pollution Control Board of the Borough of Naugatuck and the City of Waterbury.
- M. Shared Services Agreement, dated October 25, 2001, between the U.S. Filter Operating Services, Inc. and Naugatuck Environmental Technologies LLC.

Charles

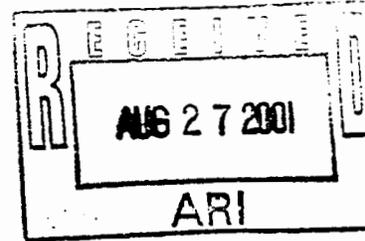


STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



MUNICIPAL NPDES PERMIT

issued to



Location Address:

Borough of Naugatuck
Town Hall
229 Church Street
Naugatuck, CT 06770

500 Cherry Street
Naugatuck, CT 06770

Facility ID: 088-001 Permit ID: CT0100641 Permit Expires: August 7, 2006

Receiving Stream: Naugatuck River Design Flow Rate: 10.3 MGD

SECTION 1: GENERAL PROVISIONS

- (A) This permit is reissued in accordance with section 22a-430 of Chapter 446k, Connecticut General Statutes ("CGS"), and Regulations of Connecticut State Agencies ("RCSA") adopted thereunder, as amended, and Section 402(b) of the Clean Water Act, as amended, 33 USC 1251, et. seq., and pursuant to an approval dated September 26, 1973, by the Administrator of the United States Environmental Protection Agency for the State of Connecticut to administer a N.P.D.E.S. permit program.
- (B) Borough of Naugatuck, ("Permittee"), shall comply with all conditions of this permit including the following sections of the RCSA which have been adopted pursuant to section 22a-430 of the CGS and are hereby incorporated into this permit. Your attention is especially drawn to the notification requirements of subsection (i)(2), (i)(3), (j)(1), (j)(6), (j)(8), (j)(9)(C), (j)(10)(C), (j)(11)(C), (D), (E), and (F), (k)(3) and (4) and (l)(2) of section 22a-430-3. To the extent this permit imposes conditions which are more stringent than those found in the regulations, this permit shall apply.

section 22a-430-3 General Conditions

- (a) Definitions
- (b) General
- (c) Inspection and Entry
- (d) Effect of a Permit
- (e) Duty
- (f) Proper Operation and Maintenance
- (g) Sludge Disposal
- (h) Duty to Mitigate
- (i) Facility Modifications, Notification
- (j) Monitoring, Records and Reporting Requirements
- (k) Bypass
- (l) Conditions Applicable to POTWs
- (m) Effluent Limitation Violations (Upsets)
- (n) Enforcement
- (o) Resource Conservation
- (p) Spill Prevention and Control

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- (q) Instrumentation, Alarms, Flow Recorders
- (r) Equalization

section 22a-430-4 Procedures and Criteria

- (a) Duty to Apply
 - (b) Duty to Reapply
 - (c) Application Requirements
 - (d) Preliminary Review
 - (e) Tentative Determination
 - (f) Draft Permits, Fact Sheets
 - (g) Public Notice, Notice of Hearing
 - (h) Public Comments
 - (i) Final Determination
 - (j) Public Hearings
 - (k) Submission of Plans and Specifications. Approval.
 - (l) Establishing Effluent Limitations and Conditions
 - (m) Case by Case Determinations
 - (n) Permit issuance or renewal
 - (o) Permit Transfer
 - (p) Permit revocation, denial or modification
 - (q) Variances
 - (r) Secondary Treatment Requirements
 - (s) Treatment Requirements for Metals and Cyanide
 - (t) Discharges to POTWs - Prohibitions
- (C) Violations of any of the terms, conditions, or limitations contained in this permit may subject the permittee to enforcement action including, but not limited to, seeking penalties, injunctions and/or forfeitures pursuant to applicable sections of the CGS and RCSA.
- (D) -Any false statement in any information submitted pursuant to this Section of the permit may be punishable as a criminal offense under section 22a-438 or 22a-131a of the CGS or in accordance with section 22a-6, under section 53a-157b of the CGS.
- (E) The Permittee shall comply with section 22a-416-1 through section 22a-416-10 of the RCSA concerning operator certification.
- (F) No provision of this permit and no action or inaction by the Commissioner shall be construed to constitute an assurance by the Commissioner that the actions taken by the permittee pursuant to this permit will result in compliance or prevent or abate pollution.
- (G) Nothing in this permit shall relieve the permittee of other obligations under applicable federal, state and local law.
- (H) An annual fee shall be paid for each year this permit is in effect as set forth in section 22a-430-7 of the RCSA. As of July 1999 the annual fee is \$1,920.

SECTION 2: DEFINITIONS

- (A) The definitions of the terms used in this permit shall be the same as the definitions contained in section 22a-423 of the CGS and section 22a-430-3(a) and 22a-430-6 of the RCSA, except for "Composite", "No Observable Acute Effect Level (NOAEL)" and "Grab Sample Average" which are redefined below.
- (B) In addition to the above, the following definitions shall apply to this permit:

"—" in the limits column on the monitoring tables A, A-1 and B in Attachment I means a limit is not specified but a value must be reported on the DMR, MOR, NAR and/or ATMR.

"Average Monthly Limit"; means the maximum allowable "Average Monthly Concentration" as defined in section 22a-430-3(a) of the RCSA when expressed as a concentration (e.g. mg/l); otherwise, it means "Average Monthly Discharge Limitation" as defined in section 22a-430-3(a) of the RCSA.

"Bi-Weekly", means once every two weeks.

"Composite" or "(C)" means a sample consisting of a minimum of eight aliquot samples collected at equal intervals of no less than 30 minutes and no more than 60 minutes and combined proportionally to flow over the sampling period provided that during the sampling period the peak hourly flow is experienced.

"Critical Test Concentration" or "(CTC)", means the specified effluent dilution at which the permittee is to conduct a single-concentration Aquatic Toxicity Test.

"Daily Composite" or "(DC)" means a composite sample taken over a full operating day consisting of grab samples collected at equal intervals of no more than sixty (60) minutes and combined proportionally to flow; or, a composite sample continuously collected over a full operating day proportionally to flow.

"Daily Concentration" means the concentration of a substance as measured in a daily composite sample, or, arithmetic average of all grab sample results defining a grab sample average.

"Daily Quantity" means the quantity of waste generated during an operating day.

"Geometric Mean" is the "n"th root of the product of "n" observations.

"Grab Sample Average" means the arithmetic average of all grab sample analyses.

"Infiltration" means water other than wastewater that enters a sewer system (including sewer system and foundation drains) from the ground through such means as defective pipes, pipe joints, connections, or manholes. Infiltration does not include, and is distinguished from, inflow.

"Inflow" means water other than wastewater that enters a sewer system (including sewer service connections) from sources such as, but not limited to, roof leaders, cellar drains, yard drains, area drains, drains from springs and swampy areas, cross connections between storm sewers and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters, or drainage. Inflow does not include, and is distinguished from, infiltration.

"Instantaneous Limit" means the highest allowable concentration of a substance as measured by a grab sample, or the highest allowable measurement of a parameter as obtained through instantaneous monitoring.

"In stream Waste Concentration" or "(IWC)", means the concentration of a discharge in the receiving water after mixing has occurred in the allocated zone of influence.

"Maximum Daily Limit", means the maximum allowable "Daily Concentration" (defined above) when expressed as a concentration (e.g. mg/l), otherwise, it means the maximum allowable "Daily Quantity" as defined above, unless it is expressed as a flow quantity. If expressed as a flow quantity it means "Maximum Daily Flow" as defined in section 22a-430-3(a) of the RCSA.

"Monthly Minimum Removal Efficiency" means the minimum reduction in the pollutant parameter specified when the effluent average monthly concentration for that parameter is compared to the influent average monthly concentration.

"NA" as a Monitoring Table abbreviation means "not applicable".

"NR" as a Monitoring Table abbreviation means "not required".

"No Observable Acute Effect Level" or "(NOAEL)" means any concentration equal to or less than the critical test concentration in a single concentration (pass/fail) toxicity test conducted pursuant to section 22a-430-3(j)(7)(A)(i) RCSA demonstrating greater than 50% survival of test organisms in 100% (undiluted) effluent and 90% or greater survival of test organisms at the CTC.

"Quarterly", in the context of a sampling frequency, means sampling is required in the months of January, April, July and October.

"Sanitary Sewage" means wastewaters from residential, commercial and industrial sources introduced by direct connection to the sewage collection system tributary to the treatment works including non-excessive inflow/infiltration sources.

"Septage" means any water or material withdrawn from a septic tank used to treat domestic sewage.

"Stormwater" means waters consisting of precipitation runoff.

"Range During Sampling" or "RDS", as a sample type means the maximum and minimum of all values recorded as a result of analyzing each grab sample of; 1) a Composite Sample, or, 2) a Grab Sample Average. For those permittees with pH meters that provide continuous monitoring and recording, Range During Sampling means the maximum and minimum readings recorded with the continuous monitoring device during the Composite or Grab Sample Average sample collection.

"Range During Month" or "RDM", as a sample type means the lowest and the highest values of all of the monitoring data for the reporting month.

"MGD" means million gallons per day.

"Twice per Month" when used as a sample frequency shall mean two samples per calendar month collected no less than 12 days apart.

"ug/l" means micrograms per liter.

"Work Day" in the context of a sampling frequency, means Monday thru Friday excluding holidays.

SECTION 3: COMMISSIONER'S DECISION

- (A) The Commissioner of Environmental Protection ("Commissioner"), has issued a final decision and found that continuance of the existing system to treat the discharge will protect the waters of the state from pollution. The Commissioner's decision is based on application #199600074 for permit reissuance, received on January 5, 1996 and addenda submitted on October 1, 1996, November 4, 1996 and November 11, 1996 and the administrative record established in the processing of that application.
- (B) The Commissioner hereby authorizes the Permittee to discharge in accordance with the provisions of this permit, the above referenced application, and all approvals issued by the Commissioner or his authorized agent for the discharges and/or activities authorized by, or associated with, this permit.
- (C) The Commissioner reserves the right to make appropriate revisions, after public notice if required, to the permit in order to establish any appropriate effluent limitations, schedules of compliance, or other provisions which may be authorized under the Federal Clean Water Act or the CGS or regulations adopted thereunder, as amended. The permit as modified or renewed under this paragraph may also contain any other requirements of the Federal Clean Water Act or CGS or regulations adopted thereunder which are then applicable.

SECTION 4: GENERAL LIMITATIONS AND OTHER CONDITIONS

- (A) The permittee shall not accept any sources of non-domestic wastewater conveyed to its POTW by any means other than its sanitary sewerage system unless the generator of such wastewater (a) is authorized by a permit issued by the Commissioner under section 22a-430 CGS (individual permit) or (b) is authorized under section 22a-430b (general permit) or (c) has been issued an emergency or temporary authorization by the Commissioner under section 22a-6k. All such non-domestic wastewaters shall be processed by the POTW via receiving facilities at a location and in a manner prescribed by the permittee and approved by the Commissioner which are designed to contain and control any unplanned releases.

- (B) No new discharge of domestic sewage from a single source to the POTW in excess of 50,000 gallons per day (5% of average daily flow or 50,000 gpd, whichever is less) may be authorized by permittee until the discharger has registered the discharge under the general permit for domestic sewage issued by the Commissioner on June 11, 1992 pursuant to section 22a-430b of the CGS.
- (C) Borough of Naugatuck shall maintain a system of dedicated taxes or other fees sufficient to operate and maintain the POTW (including the collection system) and replace critical components.
- (D) Borough of Naugatuck shall maintain a sewer use ordinance which is consistent with the Model Sewer Ordinance for Connecticut Municipalities prepared by the Department of Environmental Protection. The Commissioner of Environmental Protection alone may authorize certain discharges which may not conform to the Model Sewer Ordinance.
- (E) No discharge shall contain, or cause in the receiving stream, a visible oil sheen or floating solids.
- (F) No discharge shall cause acute or chronic toxicity in the receiving water body beyond any Zone Of Influence (ZOI) specifically allocated to that discharge in this permit.
- (G) The permittee shall maintain an alternate power source adequate to provide full operation of the sewage collection system and to provide a minimum of primary treatment and disinfection at the water pollution control facility to insure that no discharge of untreated wastewater will occur during a failure of a primary power source. Borough of Naugatuck shall maintain an alternate power source adequate to provide full operation of all pump stations.
- (H) The average monthly effluent concentration shall not exceed 15% of the average monthly influent concentration for CBOD5, and Total Suspended Solids, for all daily composite samples taken in any thirty calendar day period.
- (I) Any new or increased amount of domestic sewage discharge to the sewer system is prohibited where it will cause a dry weather overflow or exacerbate an existing dry weather overflow.
- (J) Sludge Conditions
- (1) The permittee shall comply with all existing federal and state laws and regulations that apply to sewage sludge use and disposal practices, including but not limited to 40 CFR Part 503.
 - (2) If an applicable management practice or numerical limitation for pollutants in domestic sewage sludge more stringent than existing federal and state regulations is promulgated under section 405(d) of the Clean Water Act (CWA), this permit shall be modified or revoked and reissued to conform to the promulgated regulations.
 - (3) The permittee shall give prior notice to the Commissioner of any change(s) planned in the permittee's sludge use or disposal practice. A change in the permittee's sludge use or disposal practice may be a cause for modification of the permit.
 - (4) The permittee is authorized to accept Crompton Manufacturing Company, Inc. (formerly known as Uniroyal Chemical Company, Inc.) sludge via the dedicated pipeline for treatment at one of the four thickener tanks described in the permit application number 199600074.
- (K) The limits imposed on the discharges listed in this permit take effect on the issuance date of this permit, hence any sample taken after this date which, upon analysis, shows an exceedence of permit limits will be considered non-compliance.
- (L) The permittee is hereby authorized to accept septage at the water pollution control facility or other locations approved by the Commissioner.
- (M) The permittee is hereby authorized to accept pretreated wastewaters from Crompton Manufacturing Company, Inc. via the dedicated pipeline at the POTW.
- (N) The temperature of any discharge shall not increase the temperature of the receiving stream above 35°F, or, in any case, raise the normal temperature of the receiving stream more than 4°F.

- (O) When the arithmetic mean of the average daily flow from the POTW for the previous 365 days exceeds 90% of the design flow rate, the permittee shall, within 90 days, develop and submit for the review of the Commissioner a plan to accommodate future increases in flow to the plant. Such plan shall include a proposed scope of work and schedule for the planning, design, construction and financing of any recommended improvements.
- (P) When the arithmetic mean of the average daily load of CBOD5 and/or TSS to the POTW for the previous 365 days exceeds 90% of the design load rate, the permittee shall, within 90 days, develop and submit for the review of the Commissioner a plan to accommodate future increases in load to the plant. Such plan shall include a proposed scope of work and schedule for the planning, design, construction and financing of any recommended improvements.
- (Q) On or before July 31st of each calendar year the main flow meter shall be calibrated in accordance with the manufacturer specifications and the actual record of the calibration shall be retained onsite. Upon request from the DEP, the permittee shall verify in writing to the Department of Environmental Protection, Bureau of Water Management, Planning and Standards Division, Municipal Facilities that the main flow meter has been calibrated in accordance with the manufacturer's specifications.

SECTION 5: SPECIFIC EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

- (A) The discharge shall not exceed and shall otherwise conform to the specific terms and conditions listed in this permit. The discharge is restricted by, and shall be monitored in accordance with the tables A through E which are incorporated in this permit as Attachment 1.
- (B) The permittee shall also monitor the performance of the treatment process, as applicable, in accordance with the requirements specified in the Monthly Operating Report (MOR) and the Nutrient Analysis Report (NAR) as approved by the Commissioner which are incorporated in this permit as Attachment 2.

SECTION 6: SAMPLE COLLECTION, HANDLING and ANALYTICAL TECHNIQUES

(A) Chemical Analysis

- (1) Chemical analyses to determine compliance with effluent limits and conditions established in this permit, shall be performed using the methods approved pursuant to the Code of Federal Regulations, Part 136 of title 40 (40 CFR 136) unless an alternative method has been approved in writing pursuant to 40 CFR 136.4 or as provided in section 22a-430-3-(j)(7) of the RCSA. Chemicals which do not have methods of analysis defined in 40 CFR 136 or the RCSA shall be analyzed in accordance with methods specified in this permit.
- (2) All metals analyses identified in this permit shall refer to analyses for Total Recoverable Metal, as defined in 40 CFR 136 unless otherwise specified.
- (3) Grab samples shall be taken during the period of the day when the peak hourly flow is normally experienced.
- (4) Samples collected for bacteriological examination shall be collected between the hours of 11 a.m. and 3 p.m. or at that time of day when the peak hourly flow is normally experienced. A chlorine residual sample must be taken at the same time and the results recorded.
- (5) The Minimum Levels specified below represent the concentrations at which quantification must be achieved and verified during the chemical analyses for the parameters identified in Attachment 1, Tables A and B. Analyses for these parameters must include check standards within ten percent of the specified Minimum Level or calibration points equal to or less than the specified Minimum Level. Check standards for chlorine, Total Residual, shall be analyzed at a minimum of once per week.

<u>Parameter</u>	<u>Minimum Level</u>
Arsenic, Total	0.005 mg/l
Beryllium, Total	0.001 mg/l
Cadmium, Total	0.0005 mg/l

Chlorine, Total Residual	0.050 mg/l
Copper, Total	0.005 mg/l
Lead, Total	0.005 mg/l
Mercury, Total	0.0002 mg/l
Selenium, Total	0.005 mg/l
Silver, Total	0.002 mg/l
Thallium, Total	0.005 mg/l
Zinc, Total	0.020 mg/l

- (6) The value of each parameter for which monitoring is required under this permit shall be reported to the maximum level of accuracy and precision possible consistent with the requirements of this Section of the permit.
- (7) Effluent analyses for which quantification was verified during the analysis at or below the minimum levels specified in this Section and which indicate that a parameter was not detected shall be reported as "less than x" where 'x' is the numerical value equivalent to the analytical method detection limit for that analysis.
- (8) Results of effluent analyses which indicate that a parameter was not present at a concentration greater than or equal to the Minimum Level specified for that analysis shall be considered equivalent to zero (0) for purposes of determining compliance with effluent limitations or conditions specified in this permit.

(B) Acute Aquatic Toxicity Test

- (1) Samples for monitoring of Aquatic Toxicity shall be collected and handled as prescribed in "Methods for Measuring the Acute Toxicity of Effluents and Receiving Waters to Freshwater and Marine Organisms" (EPA/600/4-90/027F).
 - (a) Composite samples shall be chilled to 4°C as they are collected. Grab samples shall be chilled to 4°C immediately following collection. Samples shall be shipped on ice to the laboratory performing the toxicity test and stored at 4°C until testing is initiated.
 - (b) Samples shall be taken after dechlorination for Aquatic Toxicity unless otherwise approved in writing by the Commissioner for monitoring at this facility.
 - (c) Chemical analyses of the parameters identified in Attachment 1, Table B shall be conducted on an aliquot of the same sample tested for Aquatic Toxicity.
 - (i) At a minimum, pH, specific conductance, total alkalinity, total hardness, and total residual chlorine shall be measured in the effluent sample and, during Aquatic Toxicity tests, in the highest concentration of the test and in the dilution (control) water at the beginning of the test and at test termination. Dissolved oxygen, pH, and temperature shall be measured in the control and all test concentrations at the beginning of the test, daily thereafter, and at test termination.
 - (d) Tests for Aquatic Toxicity shall be initiated within 36 hours of sample collection.
- (2) Monitoring for Aquatic Toxicity to determine compliance with the permit limit on Aquatic Toxicity (invertebrate) shall be conducted for 48 hours utilizing neonatal (less than 24 hours old) *Daphnia pulex*.
- (3) Monitoring for Aquatic Toxicity to determine compliance with the permit limit on Aquatic Toxicity (vertebrate) shall be conducted for 48 hours utilizing larval (1 to 14-days old with no more than 24 hours range in age) *Pimephales promelas*.
- (4) Tests for Aquatic Toxicity shall be conducted as prescribed for static non-renewal acute tests in "Methods for measuring the Acute Toxicity of Effluents and Receiving Waters to Freshwater and Marine Organisms" (EPA/600/4-90/027F), except as specified below.
 - (a) For Aquatic Toxicity limits, and for monitoring only conditions, expressed as a NOAEL value. Pass/Fail (single concentration) tests shall be conducted at a specified Critical Test Concentration (CTC) equal to the

Aquatic Toxicity limit. (100%), as prescribed in section 22a-430-3(j)(7)(A)(i) of the RCSA.

- (b) Organisms shall not be fed during the tests.
 - (c) Synthetic freshwater prepared with deionized water adjusted to a hardness of 50 ± 5 mg/L as CaCO_3 shall be used as dilution water in the tests.
 - (d) Copper nitrate shall be used as the reference toxicant.
- (5) For limits expressed as NOAEL = 100%, compliance shall be demonstrated when the results of a valid pass/fail Aquatic Toxicity Test indicate 90% or greater survival in the effluent sample at the CTC (100%).

(C) Chronic Aquatic Toxicity Test

- (1) Chronic toxicity testing of the discharge shall be conducted annually during July, August, or September of each year.
- (2) Chronic toxicity testing shall be performed on the discharge in accordance with the test methodology established in "Short-Term Methods for Estimating The Chronic Toxicity of Effluents and Receiving Water to Freshwater Organisms" (EPA-600-4-91-002) as referenced in 40 CFR 136 for *Ceriodaphnia* survival and reproduction and Fathead minnow larval survival and growth.
 - (a) Chronic toxicity tests shall utilize a minimum of five effluent dilutions prepared using a dilution factor of 0.5 (100% effluent, 50% effluent, 25% effluent, 12.5% effluent, 6.25% effluent).
 - (b) Naugatuck River water collected immediately upstream of the area influenced by the discharge shall be used as control (0% effluent) and dilution water in the toxicity tests.
 - (c) Synthetic freshwater prepared in accordance with EPA-600-4-91-002 at a hardness of 50 ± 5 mg/l shall be used as an additional control (0% effluent) in the toxicity tests.
 - (d) Daily composite samples of the discharge (final effluent following disinfection) and grab samples of Naugatuck River for use as site water control and dilution water shall be collected on day 0 for test solution renewal on day 1 and day 2 of the test, day 2, for test solution renewal on day 3 and day 4 of the test; and day 4, for test solution renewal on day 5, day 6, and day 7 of the test. Samples shall not be pH or hardness adjusted, or chemically altered in any way.
- (3) All samples of the discharge and Naugatuck River water used in the chronic toxicity test shall, at a minimum, be analyzed and results reported in accordance with the provisions listed in section 6(A) of this permit for the following parameters:

- pH
- Hardness
- Alkalinity
- Conductivity
- Nitrogen, ammonia (total as N)
- Solids, Total Suspended
- Copper (total recoverable and dissolved)
- Zinc (total recoverable and dissolved)

SECTION 7: RECORDING AND REPORTING REQUIREMENTS

- (A) The results of chemical analyses and any aquatic toxicity test required above in Section 5 and the referenced Attachment 1 shall be entered on the Discharge Monitoring Report (DMR) and reported to the Bureau of Water Management. The report shall also include a detailed explanation of any violations of the limitations specified. The DMR must be received at the following address by the 15th day of the month following the month in which samples are collected.

ATTN: Municipal Wastewater Monitoring Coordinator
Bureau of Water Management
Connecticut Department of Environmental Protection
79 Elm Street
Hartford, CT 06106-5127

- (1) For composite samples, from other than automatic samplers, the instantaneous flow and the time of each aliquot sample collection shall be recorded and maintained at the POTW.
- (B) Complete and accurate test data, including percent survival of test organisms in each replicate test chamber, LC_{50} values and 95% confidence intervals for definitive test protocols, and all supporting chemical/physical measurements performed in association with any aquatic toxicity test, shall be entered on the Aquatic Toxicity Monitoring Report form (ATMR) and sent to the Bureau of Water Management at the address specified above in section 7 (A) of this permit by the 15th day of the month following the month in which samples are taken.
- (C) The results of the process monitoring required above in Section 5 shall be entered on the monthly operating report (MOR) form, included herein as Attachment 2, Tables A and B respectively, and reported to the Bureau of Water Management. This MOR and NAR must be received at this address specified above in section 7 (A) of this permit by the 15th of the month following the month in which the data and samples are taken.
- (D) A complete and thorough report of the results of the chronic toxicity monitoring outlined in section 6(C) shall be prepared as outlined in section 10 of EPA-600-4-91-002 and submitted to the Department for review on or before December 31st of each calendar year to the address specified above in section 7 (A) of this permit.

SECTION 8: RECORDING AND REPORTING OF VIOLATIONS, ADDITIONAL TESTING REQUIREMENTS

- (A) If any sample analysis indicates that an Aquatic toxicity effluent limitation has been exceeded, or that the test was invalid, a second sample of the effluent shall be collected and tested for Aquatic Toxicity and associated chemical parameters, as described above in Section 5 and Section 6, and the results reported to the Bureau of Water Management (Attn: Aquatic Toxicity) via the ATMR form (see Section 7 (B)) within 30 days of the previous test. These test results shall also be reported on the next months DMR report pursuant to Section 7 (A). The results of all toxicity tests and associated chemical parameters, valid and invalid shall be reported.
- (B) If any two consecutive test results or any three test results in a twelve month period indicates that the aquatic toxicity limit has been exceeded, the permittee shall immediately take all reasonable steps to eliminate toxicity wherever possible and shall submit a report, to the Bureau of Water Management (Attn: Aquatic Toxicity), for the review and written approval of the Commissioner in accordance with section 22a-430-3(j)(10)(c) of the RCSA describing proposed steps to eliminate the toxic impact of the discharge on the receiving water body. Such a report shall include a proposed time schedule to accomplish toxicity reduction and the permittee shall comply with any schedule approved by the Commissioner.
- (C) Section 22a-430-3(k) of the RCSA shall apply in all instances of bypass including a bypass of the treatment plant or a component of the sewage collection system planned during required maintenance. The Department of Environmental Protection, Bureau of Water Management, Planning and Standards Division (860) 424-3704, the Department of Public Health, Water Supply Section (860) 509-7333 and Recreation Section (860) 509-7297, and the local Director of Health shall be notified within 2 hours by telephone during normal business hours and a written report submitted to the Commissioner within 5 days of each occurrence, or potential occurrence, of an emergency diversion or bypass of untreated or partially treated sewage.

The written report shall contain:

- (a) The nature and cause of the diversion or bypass or treatment component failure.
- (b) The time the incident occurred and the anticipated time which it is expected to continue or, if the condition has been corrected, the duration.
- (c) The estimated volume of the bypass or discharge of partially treated domestic sewage.

- (d) The steps being taken to reduce or minimize the effect on the receiving waters.
 - (e) The steps that will be taken to prevent reoccurrence of the condition in the future.
- (D) In addition to the reporting requirements contained in section 22a-430-3(i), (j), and (k) of the Regulations of Connecticut State Agencies, the permittee shall notify in the same manner as above, the Department of Environmental Protection, Bureau of Water Management, Planning and Standards Division, Municipal Facilities Section (860) 424-3704 concerning the failure of any major component of the treatment facilities which the permittee may have reason to believe would result in an effluent violation. For treatment plants south of Interstate 95 and any other plants which may impact shellfishing areas the Department of Agriculture/Aquaculture Division must also be notified within 2 hours by telephone at (203) 874-0696 and in writing within 72 hours of each occurrence of an emergency diversion or by-pass of untreated or partially treated sewage. A copy of the written report should be sent to:

State of Connecticut
Department of Agriculture/Aquaculture Division
P.O. Box 97
Milford, Connecticut 06460

If the diversion or bypass occurs outside normal working hours (8:30 a.m. to 4:30 p.m. Monday through Friday), immediate notification shall be made to the Emergency Response Unit at (860) 424-3338 and the Department of Public Health at (860) 509-8000.

SECTION 9: COMPLIANCE SCHEDULES

- (A) On or before 30 days after the issuance of this permit, the permittee shall retain one or more qualified consultants acceptable to the Commissioner to prepare the documents and implement or oversee the actions required in section 9 paragraphs (A)(1) and (A)(2) of this permit and shall, by that date, notify the Commissioner in writing of the identity of such consultants. The municipality shall retain one or more qualified consultants acceptable to the Commissioner until this permit is fully complied with, and, within ten days after retaining any consultant other than the one originally identified under this paragraph, the municipality shall notify the Commissioner in writing of the identity of such other consultant. The consultant(s) retained shall be a qualified professional engineer licensed to practice in Connecticut. The permittee shall submit to the Commissioner a description of a consultant's education, experience and training which is relevant to the work required by this permit within ten days after a request for such a description. Nothing in this paragraph shall preclude the Commissioner from finding a previously acceptable consultant unacceptable.
- (1) On or before 150 days after the date of issuance of this permit, the permittee shall submit for the Commissioner's review and written approval, a report detailing a system-wide mass balance analysis which evaluates the relative loading of zinc to the treatment plant from industrial, commercial and residential sources including consideration of the public water supply and distribution system. The report shall also include an analysis of the efficiency of the treatment plant relative to levels of zinc discharged to the Naugatuck River.
 - (2) On or before one year (365 days) after issuance of this permit, the permittee shall submit for the Commissioner's review and written approval a comprehensive and thorough engineering report which describes and evaluates alternative actions to reduce the concentration of zinc in the discharge to the greatest extent practicable. Such report shall:
 - (a) Evaluate alternative actions including but not limited to imposing additional pretreatment requirements on industrial users, modification of potable water treatment practices and operational changes to improve removal efficiencies at the permittee's facility;
 - (b) State in detail the most expeditious schedule for performing each alternative;
 - (c) List all permits and approvals required for each alternative, including but not limited to any permits required under sections 22a-32, 22a-42a, 22a-342, 22a-361, 22a-368 or 22a-430 of the CGS;
 - (d) Propose a preferred alternative or combination of alternatives with supporting justification therefor; and

- (e) Propose a detailed program and schedule to perform all actions required to implement the preferred alternative, including but not limited to a schedule for submission of engineering plans and specifications for any new equipment, the start and completion of any construction activities and applying for and obtaining all permits and approvals required for such actions.
- (B) The Borough of Naugatuck shall reimburse the USGS for reasonable expenses relative to additional water quality monitoring activities on Naugatuck River sites at Beacon Falls, Bridge on Bridge Street (#01208500) and below Fulling Mill Brook at Union City, CT (#01208370) for the following parameters: pH, hardness, alkalinity, conductivity, nitrogen, ammonia (total as N), solids, total suspended, solids, total dissolved, copper, total and dissolved, lead, total and dissolved, and zinc, total and dissolved for minimum of 8 times per year for three years. Payment of such expenses shall be done in a manner prescribed by the Commissioner in consultation with the Borough of Naugatuck.
- (C) The permittee shall conduct monitoring for zinc at all contributing wastestreams associated with the existing or upgraded Borough of Naugatuck regional sludge incineration facilities (e.g. air scrubber wastewaters, ash quench and belt filter pressate wastewaters, etc.). The permittee shall use the same monitoring and reporting frequency for zinc as specified in Table A.
- (D) On or before 90 days after the issuance date of this permit, the permittee shall submit for the Commissioner's review and written approval a wastewater sludge screening, monitoring and reporting protocol for acceptance of wastewater sludges generated from outside sources that will be transported to the permittee's POTW for further processing and disposal by means of incineration. "Transported" means trucked or hauled wastewater sludge taken to dedicated receiving facilities at the POTW. "Sludge" means solid, semi-solid or liquid residue generated from municipal, residential, commercial or industrial wastewater treatment processes exclusive of the treated effluent, including water treatment wastewater sludges. Such protocol shall address and include, at a minimum, the following elements:
1. All Out of State Municipal POTW and Privately Owned Domestic Sewage Sludge Generators
 - (a). The permittee shall monitor or cause each generator to monitor the pollutants specified in Table E of this permit at a frequency no less than quarterly. These results shall be included in the annual report described in subparagraph 3.(d) below. In the event of an infrequent delivery to the POTW, the generator shall submit monitoring results for all the pollutants listed in Table E from a representative sludge sample generated and collected within the previous three months.
 - (b). Each out of state source must be analyzed by the permittee for all the pollutants listed in Table E prior to acceptance at the POTW. The permittee shall determine that each such source is compatible with all other wastewater sludges accepted for incineration.
 - (c). Each out of state generator shall provide a description of the domestic, commercial and industrial components generating the biological sludge for the purpose of identifying any unusual characteristics of the sludge which may adversely impact the sludge incineration process.
 2. All (In State or Out of State) Commercial and Industrial (Non-Domestic) Wastewater Sludges
 - (a). Prior to acceptance of any non-domestic wastewater sludge for incineration, the permittee shall, as applicable, require the generator of such sludge to: (a) submit to the POTW a copy of its current active individual wastewater discharge permit issued by DEP under section 22a-430 of the Connecticut General Statutes (CGS); (b) if eligible under DEP's general permit program (section 22a-430bCGS), submit a copy of that permit and, if required, the associated registration; or (c) a copy of any pertinent emergency or temporary authorization issued by the Commissioner pursuant to section 22a-6k CGS.
 3. Permittee Actions
 - (a). The permittee shall conduct at its facility bimonthly (i.e. once every two months) monitoring of all the pollutants listed in Table E on a representative sample of dewatered sludge taken prior to incineration.
 - (b). The permittee shall conduct annual monitoring of all the pollutants listed in Table E for each municipal POTW and private sewage sludge generator accepted for incineration.

- (c). The permittee shall include in its Monthly Operating Report (MOR) a list of all municipal, private and commercial/industrial sludge sources and the quantity of sludge accepted from each source.
- (d). Beginning April 15th of each year after approval of this protocol, the permittee shall submit to the Commissioner an annual report for the previous calendar year which will include the following:
 - (i) A statement certifying that all new out of state generators have been screened for acceptance in accordance with the approved protocol.
 - (ii) A statement certifying that the permittee has monitored or caused the generator of all out of state municipal POTW and privately owned domestic sewage sludge sources to monitor its wastewater sludge in accordance with paragraph 1.(a).
 - (iii) A statement certifying that all generators of commercial and industrial (non-domestic) wastewater sludge accepted for incineration have complied with the requirements of paragraph 2.(a).
 - (iv) A copy of the permittee's most current annual 40CFR503 report.
 - (v) The individuals responsible for submitting the report shall certify in writing the following: "I certify that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete."
- (E) The permittee shall use best efforts to submit to the Commissioner all documents required by this section of the permit in a complete and approvable form. If the Commissioner notified the permittee that any document or other action is deficient, and does not approve it with conditions or modifications, it is deemed disapproved, and the permittee shall correct the deficiencies and resubmit it within the time specified by the Commissioner or, if no time is specified by the Commissioner, within thirty days of the Commissioner's notice of deficiencies. In approving any document or other action under this Compliance Schedule, the Commissioner may approve the document or other action as submitted or performed or with such conditions or modifications as the Commissioner deems necessary to carry out the purposes of this section of the permit. Nothing in this paragraph shall excuse noncompliance or delay.
- (F) Dates. The date of submission to the Commissioner of any document required by this section of the permit shall be the date such document is received by the Commissioner. The date of any notice by the Commissioner under this section of the permit, including but not limited to notice of approval or disapproval of any document or other action, shall be the date such notice is personally delivered or the date three days after it is mailed by the Commissioner, whichever is earlier. Except as otherwise specified in this permit, the word "day" as used in this section of the permit means calendar day. Any document or action which is required by this section only of the permit, to be submitted, or performed, by a date which falls on, Saturday, Sunday, or a Connecticut or federal holiday, shall be submitted or performed on or before the next day which is not a Saturday, Sunday, or Connecticut or federal holiday.
- (G) Notification of noncompliance. In the event that the permittee becomes aware that it did not or may not comply, or did not or may not comply on time, with any requirement of this section of the permit or of any document required hereunder, the permittee shall immediately notify the Commissioner and shall take all reasonable steps to ensure that any noncompliance or delay is avoided or, if unavoidable, is minimized to the greatest extent possible. In so notifying the Commissioner, the permittee shall state in writing the reasons for the noncompliance or delay and propose, for the review and written approval of the Commissioner, dates by which compliance will be achieved, and the permittee shall comply with any dates which may be approved in writing by the Commissioner. Notification by the permittee shall not excuse noncompliance or delay, and the Commissioner's approval of any compliance dates proposed shall not excuse noncompliance or delay unless specifically so stated by the Commissioner in writing.
- (H) Notice to Commissioner of changes. Within fifteen days of the date the permittee becomes aware of a change in any information submitted to the Commissioner under this section of the permit, or that any such information was inaccurate or misleading or that any relevant information was omitted, the permittee shall submit the correct or omitted information to the Commissioner.

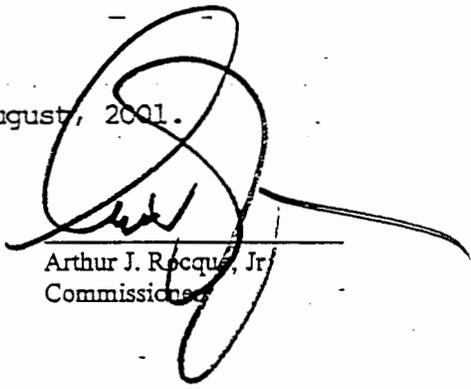
- (1) Submission of documents. Any document, other than a DMR, ATMR, NAR or MOR, required to be submitted to the Commissioner under this section of the permit shall, unless otherwise specified in writing by the Commissioner, be directed to:

Charles Nezianya
Department of Environmental Protection
Bureau of Water Management
79 Elm Street
Hartford, CT 06106-5127
Paragraph D

AND

Thomas Haze
Department of Environmental Protection
Bureau of Water Management
79 Elm Street
Hartford, CT 06106-5127
Paragraphs A, B and C

This permit is hereby issued on the 7th day of August, 2001.



Arthur J. Rocque, Jr.
Commissioner

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ATTACHMENT 1

Tables A thru E

TABLE A

Discharge Serial Number (DSN): 001-1		Monitoring Location: 1			
Wastewater Description: Domestic Sewage (POTW Effluent)					
Monitoring Location Description: Final Effluent (After Dechlorination)					
Allocated Zone of Influence (ZOI): 19.75 efs					
Instream Waste Concentration (IWC): 44.7%					
PARAMETER		INSTANTANEOUS MONITORING			
UNIT	Flow, Average Daily	Sample Freq.	Sample Type		
	Average Monthly Limit	Instantaneous Limit or Required Range	Sample Freq.		
	Maximum Daily Limit	Sample Type	Sample Type		
Alkalinity	mg/l	NA	NR	Monthly	Grab
Carbonaceous Biochemical Oxygen Demand (5 day) (November 1 thru May 31)	mg/l	250 mg/l and 15% of Influent	100	12/month	Daily Composite
Carbonaceous Biochemical Oxygen Demand (5 day) (June 1 thru October 31)	mg/l	30 mg/l and 15% of Influent	40.0	12/month	Daily Composite
Cadmium, Total	mg/l	NA	NA	Monthly	Daily Composite
Chlorine, Total Residual (May 1st thru Sept. 30th) (see remark (1) below)	mg/l	NA	0.06	4/workday	Grab Sample Average
Copper, Total Recoverable	mg/day per 100 ml	1.40	2.58	Weekly	Daily Composite
Fecal Coliform (May 1st thru Sept. 30th)		NA	NA	NR	NA
Flow, Average Daily	MGD	NA	NA	Continuous	Metered
Nitrogen, Ammonia (total as N) (Nov 1 thru April 30)	mg/l	25.0	-----	12/month	Daily Composite
Nitrogen, Ammonia (total as N) (May)	mg/l	16.0	-----	12/month	Daily Composite
Nitrogen, Ammonia (total as N) (June)	mg/l	10.0	-----	12/month	Daily Composite
Nitrogen, Ammonia (total as N) (July 1 thru Sept 30)	mg/l	14.0	-----	12/month	Daily Composite
Nitrogen, Ammonia (total as N) (October)	mg/l	8.0	-----	12/month	Daily Composite
Nitrogen, Nitrate (total as N)	mg/l	NA	-----	Monthly	Daily Composite
Nitrogen, Nitrite (total as N)	mg/l	NA	-----	Monthly	Daily Composite
Nitrogen, Total Kjeldahl	mg/l	NA	-----	Monthly	Daily Composite
Nitrogen, Total	mg/l	NA	-----	Monthly	Daily Composite

TABLE A CONTINUED

Discharge Serial Number (DSN):		001-1		Monitoring Location: 1			
Wastewater Description:		Domestic Sewage (POTW Effluent)					
Monitoring Location Description:		Final Effluent (After Dechlorination)					
Allocated Zone of Influence (ZOI): 19.75 cfs		Instream Waste Concentration (IWC): 44.7%					
PARAMETER	Unit	FLOW VOLUME BASED MONITORING		INSTANTANEOUS MONITORING			
		ANALYSE MONTHLY EFFLUENT	MAXIMUM DAILY EFFLUENT	SAMPLE TYPE	ANALYTICAL LIMIT OF DETECTION RANGE	SAMPLE FREQUENCY	SAMPLE TYPE
Oxygen, Dissolved	mg/l	NA	NA	NR	>5.0	Workday	Grab
pH	mg/l	NA	NA	NR	6.0-9.0	Workday	Grab
Phosphate, Ortho	mg/l	NA	---	Monthly	NA	NR	NA
Phosphorus, Total	mg/l	NA	---	Monthly	NA	NR	NA
Silver, Total	mg/l	NA	---	Monthly	NA	NR	NA
Solids, Settleable	mg/l	NA	NA	NR	NA	Weekly	Grab
Solids, Total Suspended	mg/l	30.0 mg/l and 15% of Influent ²	45.0	12/month	68.0	NR	NA
Temperature	°F	NA	NA	NR	---	Workday	Grab
Zinc, Total Recoverable (see section 9 paragraphs A & C)	kg/day	4.85	11.11	Weekly	NA	NR	NA

TABLE A - REMARKS

- Footnotes:**
- (1) The discharge shall meet the more stringent of 25 mg/l from Nov. 1 thru May 31 and 30 mg/l from June 1 thru October 31 or 15% of the average monthly influent CRODS (Table C, Monitoring Location (1)).
 - (2) The discharge shall meet the more stringent of 30 mg/l or 15% of the average monthly influent suspended solids (Table C, Monitoring Location (1)).
 - (3) The permittee shall report on the Monthly Operating Report the minimum, maximum and total flow for each day of discharge for each sampling month. The permittee shall report on the discharge monitoring report the average daily flow for each sampling month.
 - (4) The Maximum Daily Concentration to be reported shall be determined by mathematically averaging the results of the four grab sample required above.
 - (5) The use of chlorine for disinfection shall be discontinued from October 1st thru March 1st, except that chlorination and dechlorination equipment may be started and tested no earlier than April 15th, and any residual chlorine gas or liquid supplies may be used up until the first of October 15th. During these times in April and October the total residual chlorine of the effluent shall not be greater than 0.100 mg/l for instantaneous limits and 0.05 mg/l for maximum daily limits. Also, during these times in March and October the monitoring requirements specified above for total chlorine shall apply only for those days when chlorine is used. The analytical results shall be reported as an attachment to the DMRs for the months of March and October.
 - (6) The geometric mean of the fecal coliform bacteria values for the effluent samples collected in a period of thirty (30) consecutive days during the period from May 1st through September 30th shall not exceed 200 per 100 milliliters.
 - (7) The geometric mean of the fecal coliform bacteria values for the effluent samples collected in a period of seven (7) consecutive days during the period from May 1st through September 30th shall not exceed 400 per 100 milliliters.
 - (8) The Average Weekly discharge Limitation for CRODS and Total Suspended Solids shall be 15 times the Average Monthly Limit listed above.
 - (9) The Average Monthly Ultimate Oxygen Demand (UOD) of the effluent is defined by the following formula: $UOD = (1.5 \times CRODS, mg/l) + (4.57 \times NIB - N, mg/l)$.
 - (10) The Average Monthly UOD shall not exceed the following limits: June - 68.2 mg/l, July - 40.8 mg/l, August - 40.8 mg/l, September - 40.8 mg/l, and October - 59.1 mg/l.

TABLE B

Discharge Serial Number (DSN): 001-1		Monitoring Location: T			
Wastewater Description: Domestic Sewage (POTW Effluent)					
Monitoring Location Description: Final Effluent (After Dechlorination)					
Allocated Zone of Influence (ZOI): 19.75 cfs		In stream Wast Concentration (IWC): 44.7%			
PARAMETER	Units	Maximum Daily Limit	Sampling Frequency	Sample Type	Minimum Level Analysis See Section 6
Antimony, Total	mg/l		Quarterly	Daily Composite	
Aquatic Toxicity, Daphnia pulex ¹	%	NOAEL = 100%	Quarterly	Daily Composite	
Aquatic Toxicity, Pimephales promelas	%	NOAEL = 100%	Quarterly	Daily Composite	
Arsenic, Total	mg/l	-----	Quarterly	Daily Composite	*
Beryllium, Total	mg/l	-----	Quarterly	Daily Composite	*
Cadmium, Total	mg/l	-----	Quarterly	Daily Composite	*
Chromium, Hexavalent	mg/l	-----	Quarterly	Daily Composite	
Chromium, Total	mg/l	-----	Quarterly	Daily Composite	
Chlorine, Total Residual	mg/l	-----	Quarterly	Daily Composite	*
Copper, Total	mg/l	-----	Quarterly	Daily Composite	*
Cyanide, Amenable	mg/l	-----	Quarterly	Daily Composite	
Lead, Total	mg/l	-----	Quarterly	Daily Composite	*
Mercury, Total	mg/l	-----	Quarterly	Daily Composite	*
Nickel, Total	mg/l	-----	Quarterly	Daily Composite	
Plutonium, Total	mg/l	-----	Quarterly	Daily Composite	
Selenium, Total	mg/l	-----	Quarterly	Daily Composite	*
Silver, Total	mg/l	-----	Quarterly	Daily Composite	*
Thallium, Total	mg/l	-----	Quarterly	Daily Composite	*
Zinc, Total	mg/l	-----	Quarterly	Daily Composite	*

Remarks:

¹The results of the Toxicity Tests are recorded in % survival, however, the permittee shall report pass/fail on the DMR based on criteria in Section 6(B) of this permit.

TABLE C

Discharge Serial Number: 001-1		Monitoring Location: G	
Wastewater Description: Domestic Sewage			
Monitoring Location Description: Influent			
Parameter	Units	Sample Frequency	Sample Type
Carbonaceous Biochemical Oxygen Demand (5 day)	mg/l	12/month	Daily Composite
Nitrogen, Ammonia (total as N)	mg/l	12/month	Daily Composite
Nitrogen, Nitrate (total as N)	mg/l	Monthly	Daily Composite
Nitrogen, Nitrite (total as N)	mg/l	Monthly	Daily Composite
Nitrogen, Kjeldahl	mg/l	Monthly	Daily Composite
Nitrogen, Total	mg/l	Monthly	Daily Composite
Phosphorus, Total	mg/l	Monthly	Daily Composite
pH	S.U.	NA	NR
Solids, Total Suspended	mg/l	12/month	Daily Composite
Temperature	°F	NA	NR

TABLE D

Discharge Serial Number: 001-1		Monitoring Location: ?			
Wastewater Description: Primary Effluent					
Monitoring Location Description: Primary Sedimentation Basin Effluent					
PARAMETER	Units	TIME/FLOW-BASED MONITORING		INSTANTANEOUS MONITORING	
		Sample Frequency	Sample Type	Sample Frequency	Sample type
Alkalinity	mg/l	NA	NA	Monthly	Grab
Carbonaceous Biochemical Oxygen Demand (5 day)	mg/l	Weekly	Composite	NA	NR
Nitrogen, Ammonia (total as N)	mg/l	Monthly	Composite	NA	NR
Nitrogen, Nitrate (total as N)	mg/l	Monthly	Composite	NA	NR
Nitrogen, Nitrite (total as N)	mg/l	Monthly	Composite	NA	NR
Nitrogen, Total Kjeldahl	mg/l	Monthly	Composite	NA	NR
Nitrogen, Total	mg/l	Monthly	Composite	NA	NR
pH	S.U.	NA	NR	work day	instantaneous
Solids, Total Suspended	mg/l	Weekly	Composite	NA	NR

TABLE E

Discharge Serial Number: 001-01		Monitoring Location: S	
Wastewater Description: dewatered sludge			
Monitoring Location Description: dewatered sludge after the filter press			
PARAMETER	Test Method*	Units (dry weight)	Grab Sample Freq.
Arsenic, Total		mg/kg	Bi-Monthly
Beryllium, Total		mg/kg	Bi-Monthly
Cadmium, Total		mg/kg	Bi-Monthly
Chromium, Total		mg/kg	Bi-Monthly
Copper, Total		mg/kg	Bi-Monthly
Lead, Total		mg/kg	Bi-Monthly
Mercury, Total		mg/kg	Bi-Monthly
Nickel, Total		mg/kg	Bi-Monthly
Zinc, Total		mg/kg	Bi-Monthly

*All metal analyses will be performed in accordance with 40CFR Part 136 EPA approved methods.

- (A). The permittee shall conduct monitoring of stormwater discharge in accordance with the following terms and conditions listed below:

TABLE A-1

Discharge Serial Number: 001-1-A		Monitoring Location: 1	
Wastewater Description: Stormwater			
Monitoring Location Description: Stormwater Catch Tank			
PARAMETER	INSTANTANEOUS MONITORING		
	Instantaneous Limit	Units	Grab Sample Freq.
Aquatic Toxicity (see paragraph (A)(4) below)	---	LC50%	Annual
Chemical Oxygen Demand	---	mg/l	Annual
Copper, Total	---	mg/l	Annual
Fecal Coliform	---	#/100 ml	Annual
Kjeldahl Nitrogen	---	mg/l	Annual
Lead, Total	---	mg/l	Annual
Nitrate, as Nitrogen	---	mg/l	Annual
pH	---	S.U.	Annual
Phosphorous, Total	---	mg/l	Annual
Oil & Grease, Total	---	mg/l	Annual
Suspended Solids, Total	---	mg/l	Annual
Zinc, Total	---	mg/l	Annual

- (1) Annual sampling shall be collected from discharges resulting from a storm event that is greater than 0.1 inch in magnitude and that occurs at least 72 hours after any previous storm event of 0.1 inch or greater. Where feasible the rainfall during the first 30 minutes of the storm event monitored shall be between 0.1 and 0.75 inches. Runoff events resulting from snow or ice melt cannot be used to meet the minimum annual monitoring requirements. Grab samples shall be used for all monitoring. Grab samples shall be collected during the first 30 minutes of a storm event discharge. The uncontaminated rainfall pH measurement shall be taken at this time.
- (2) The date, temperature, time of the start of the discharge, time of sampling and magnitude (in inches) of the storm event sampled shall be collected and recorded.
- (3) The duration between the storm event sampled and the end of the previous measurable (greater than 0.1 inch rainfall) storm event shall be collected and recorded.
- (4) Acute toxicity biomonitoring tests shall be conducted according to the procedures specified in Methods for Measuring the Acute Toxicity of Effluents and Receiving Waters to Freshwater and Marine Organisms, 4th edition, EPA 600/4-90/027F. The following specific conditions apply:
 - (a) Tests shall employ neonatal (less than 24 hour old) *Daphnia pulex* as test organisms.
 - (b) Tests shall be collected at 20 +/- 1 degrees Centigrade.
 - (c) Tests shall be 48 hours in duration.
 - (d) Synthetic freshwater prepared as described in EPA 600/4-90/027F and adjusted to an approximate hardness of 50 mg/l as CaCO₃ shall be used as dilution water in all tests.

- (e) The following test dilution series shall be utilized, expressed as percent stormwater sample: 100%, 50%, 25%, 12.5%, 6.25% and 0%.
- (f) A minimum of twenty test organisms shall be exposed to each stormwater concentration, with each test chamber containing no more than ten test organisms.
- (g) Test organisms shall not be fed during the test period.
- (h) Test results shall be reported as the LC50 value determined by the computational method (Binomial Distribution, Probit Analysis, Moving Average Angle, Spearman Karber) which yields the smallest 95% confidence interval and LC50 value which is consistent with the dose response data.
- (i) Hardness in the stormwater sample and in the dilution control water shall be reported as mg/l as CaCO₃.
- (j) Toxicity tests shall be initiated within 36 hours of stormwater sample collection.
- (k) Any test in which the survival of test organisms is less than 90% in the combined control test vessels or failure to achieve test conditions as specified, such as maintenance of environmental controls, shall constitute an invalid test and will require stormwater resampling and retesting as soon as practicable.

ATTACHMENT 2

**MONTHLY OPERATING REPORT FORM
AND
NUTRIENT ANALYSIS REPORT FORM**

TABLE B
Nutrient Analysis Report

(Type over Town/Facility Name) Permit # CT Flow Rate _____ mgd Sampling Date ____/____/____

Parameter	Raw Influent		Primary Effluent		Final Effluent		Plant Efficiency %	
	mg/l	lbs/day	mg/l	lbs/day	mg/l	lbs/day	mg/l	lbs/day
Ammonia								
Nitrites								
Nitrates								
TKN								
Total Nitrogen								
Orthophosphates								
Total Phosphorus								

Notes: lbs/day = 8.34 x flow (mgd) x mg/l of pollutant
 Flow = Total daily flow on sampling date (mgd)
 Plant Efficiency = 100% x (raw influent - final effluent) / raw influent
 Total Nitrogen = TKN + nitrite + nitrate

DATA TRACKING AND TECHNICAL FACT SHEET

Permittee: Borough of Naugatuck PAMS Company ID: 8739

PERMIT, ADDRESS, AND FACILITY DATA

PERMIT #: CT0100641 APPLICATION #: 199600074 FACILITY ID. 088-001

<u>Mailing Address:</u> Street: Town Hall, 229 Church Street City: Naugatuck ST: CT Zip: 06770 Contact Name: James McGrath, Chairman WPCA Phone No.: (203) 723-1433	<u>Location Address:</u> Street: 500 Cherry Street City: Naugatuck ST CT Zip: 06770 Contact Name: James McGrath, Chairman WPCA Phone No.: (203) 723-1433
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PERMIT INFORMATION

DURATION 5 YEAR 10 YEAR 30 YEAR

TYPE New Reissuance Modification

CATEGORIZATION POINT (X)NON-POINT ()GIS # 1611

NPDES (X)PRETREAT () GROUND WATER(UIC) ()GROUND WATER (OTHER) ()

NPDES MAJOR(MA)

NPDES SIGNIFICANT MINOR or PRETREAT SIU (SI)

NPDES or PRETREATMENT MINOR (MI)

PRETREAT SIGNIFICANT INDUS USER(SIU)

PRETREAT CATEGORICAL (CIU)

POLLUTION PREVENTION MANDATE ENVIRONMENTAL EQUITY ISSUE

COMPLIANCE SCHEDULE YES NO

POLLUTION PREVENTION TREATMENT REQUIREMENT WATER CONSERVATION

WATER QUALITY REQUIREMENT REMEDIATION OTHER

OWNERSHIP CODE

Private Federal State Municipal (town only) Other public

PERMIT FEES

Discharge Code	DSN Number	Annual Fee
1011000e	001	\$1,920.00

Note: Annual fee is 50% discount of \$3,840.00

FOR NPDES DISCHARGES

Drainage basin Code: 6900 Present/Future Water Quality Standard: C/B

NATURE OF BUSINESS GENERATING DISCHARGE

Sanitary Sewage

PROCESS AND TREATMENT DESCRIPTION (by DSN)

Secondary biological treatment, seasonal chlorination and dechlorination

RESOURCES USED TO DRAFT PERMIT

- Federal Effluent Limitation Guideline 40CFR 133*
Secondary Treatment Category
- Performance Standards*
- Federal Development Document _____*
name of category
- Treatability Manual*
- Department File Information*
- Connecticut Water Quality Standards*
- Anti-degradation Policy*
- Coastal Management Consistency Review Form*
- Other - Explain*

BASIS FOR LIMITATIONS, STANDARDS OR CONDITIONS

- Best Available Technology (BAT)*
- Best Professional Judgement (See Other Comments)*
- Secondary Treatment*
- Case by Case Determination (See Other Comments)*
- Section 22a-430-4(r) of the Regulations of Connecticut State Agencies*
- In order to meet in-stream water quality (See General Comments)*

GENERAL COMMENTS

Water quality based discharge limitations were included in this permit for consistency with Connecticut Water Quality Standards and criteria, pursuant to 40 CFR 122.44(d). Each parameter was evaluated for consistency with the available aquatic life criteria (acute and chronic) and human health (fish consumption only) criteria, considering the zone of influence allocated to the facility where appropriate. The statistical procedures outlined in the EPA Technical Support Document for Water Quality-based Toxics Control (EPA/505/2-90-001) were employed to calculate the limits. The most restrictive of the water quality limitations, aquatic life acute, aquatic life chronic, and human health, was compared with limitations developed according to State and Federal Best Available Technology (BAT). Where the water quality based limitations were more restrictive than BAT, the water quality based limitation was included in the permit as a mass limit.

SPECIFIC COMMENTS

Chlorine: limits are based on an adopted Waste Load Allocation.

Chlorine limits were derived from the Total Maximum Daily Load/Waste Load Allocation (TMDL/WLA) adopted for the Naugatuck River in 1989. The TMDL/WLA established a limit of 0.060 mg/L for this facility. The permit incorporates this TMDL/WLA by including a Maximum Daily Limit of 0.060 mg/L. The permit also includes a Maximum Instantaneous Limit of 0.120 mg/L which represents the upper boundary of acceptable performance characteristics for this type of disinfection system based on the best engineering judgement of DEP staff. A Maximum Instantaneous Limit is also necessary to avoid averaging artifacts and validate compliance when the Maximum Daily Limit is near the Minimum Quantification Level (ML) which is 50 ug/L for chlorine. Review of monitoring data submitted by the Naugatuck Treatment Company (NTC) and by other facilities in Connecticut which employ similar technology for disinfection and dechlorination document that these limits are routinely achievable.

Copper: limits are water quality-based.

Average Monthly and Maximum Daily mass-based limits were derived assuming estimated background at 7-day, 10-year low flow (9.75 ug/L for dissolved copper), adjusted for total/dissolved partitioning in-stream (metals translator = 1.49 for Cu), effluent variability based on past monitoring data (CV% = 0.5 for Cu), design flow (10.3 MGD), a Zone Of Influence (ZOI) allocation of 19.75 cfs, and a monitoring frequency of four times per month. Minimum Quantification Levels were specified to insure that future monitoring will be conducted using appropriately sensitive analytical procedures (ML = 5 ug/L for Cu).

Zinc Limits

Monitoring data submitted to DEP by the permittee indicates that zinc loadings will have to be reduced from current levels in order to protect water quality. Limits in this permit were calculated to reflect existing discharge quality (average loading = 2.83 Kg/d; CV = 0.8). These limits insure that zinc loadings do not increase over current levels during the three years period when additional monitoring (see section 9B) is being performed to establish final limits for this parameter.

Cadmium, silver: monitoring only.

Monthly monitoring only was required since these parameters were detected infrequently in past monitoring (4 detected values in previous 5 years quarterly monitoring). Minimum Quantification Levels were specified to insure that future monitoring will be conducted using appropriately sensitive analytical procedures (ML = 0.5 ug/L for Cd, 2.0 ug/L for Ag).

Other toxic-parameters: monitoring only with Whole Effluent Toxicity (WET) test

No reasonable potential to cause or contribute to an excursion above an adopted Water Quality Standard was demonstrated for thallium, selenium, mercury, lead, beryllium, or arsenic. The permit requires quarterly monitoring concurrent with WET testing for these parameters. Minimum Quantification Levels were established to insure that future monitoring will be conducted using appropriately sensitive analytical procedures (ML = 5 ug/L, 5 ug/L, 0.2 ug/L, 5 ug/L, 1 ug/L, 5 ug/L for thallium, selenium, mercury, lead, beryllium, and arsenic respectively).

Whole Effluent Toxicity (WET): limit based on ZOI allocation of 19.75 cfs.

A Maximum Daily Toxicity limit for both fish and invertebrate was established as NOAEL > 100% with quarterly WET compliance monitoring using the acute "pass/fail" protocol (Sec. 22a-430-3(j)(5)(A)(i) RCSA) for both species. The WET limit was calculated by multiplying the Instream Waste Concentration (44.7%) by 20 to yield a maximum LC50 value (89.4%), and, since LC50 values greater than 100 can not be measured, dividing by 3

to yield a maximum NOAEL value (298%). Measurement of NOAEL values greater than 100 is not possible, therefore the limit was established at the highest NOAEL which can be measured, 100%. The permit includes a provision requiring NTC to identify the cause and remediate toxicity in the event that two consecutive or three WET tests in any year indicate that this limit has been exceeded.

Ambient Monitoring Condition.

Due to the unique characteristics of the discharge and the uncertainty associated with predicting the potential environmental impact of the discharge, a requirement to perform annual chronic testing of the discharge using dilution water collected from the Naugatuck River upstream of the area influenced by the discharge has been incorporated into the permit.

OTHER COMMENTS

ZONE OF INFLUENCE ALLOCATION

Permit limits for toxic parameters and whole effluent toxicity are, in large part, determined by the Zone Of Influence allocation. A ZOI of 19.75 cfs was allocated to Naugatuck Treatment Company for mixing and assimilation of the discharge. Factors considered in proposing a ZOI of this magnitude include:

A Characteristics of the discharge

*large industrial component relative to typical Connecticut municipal facilities
significant over-the-road program
increased potential for problems/upsets due to nature of influent waste
past compliance history
monitoring data for the current discharge reported by NTC*

B Zone of passage

mixing pattern illustrated by dye study indicates potential problems

C Impingement on areas utilized by aquatic organisms

dye study indicates complete mixing occurs approximately 3/4 mile downstream, shore hugging plume

D Location of other discharges, cumulative effects

*under 7Q10 conditions, over 60% of streamflow is treated effluent
current monitoring documents aquatic life impairment*

*exceptionally high recreational resource potential
ongoing efforts to restore anadromous fisheries
ongoing 100M Waterbury POTW upgrade
intense public scrutiny and interest in restoration efforts*

MINIMUM LEVELS (ML)

Minimum Levels represent the concentration at which quantification must be achieved and verified during chemical analysis. The permittee may select any EPA approved 40 CFR 136 method which offers sufficient sensitivity to achieve quantification at the specified Minimum Level. The permit requires the results of chemical analyses to be reported to the maximum level of accuracy and precision possible (analytical methods approved under 40 CFR 136 are typically capable of detecting these chemicals at concentrations well below the Minimum Level). For purposes of compliance, the permit specifies that results lower than the Minimum Level are considered equivalent to zero.

TOTAL: DISSOLVED TRANSLATOR FOR COPPER AND ZINC

The purpose of a translator is to more accurately simulate the equilibrium which exists between the total metal concentration in the receiving stream and the dissolved metal concentration. Connecticut's Water Quality Standards establish criteria to protect aquatic life from acute and chronic toxic impacts in terms of the dissolved metal concentration. In the absence of site-specific data, the Department's practice has been to assume that all metal present in the effluent and receiving water is in the dissolved form and that the upstream concentration of the metal is "0".

Data submitted by the Naugatuck Treatment Company (NTC) documented that a significant fraction of the copper and zinc in the discharge is typically in particulate form. The Department evaluated ambient monitoring data collected by the U.S. Geological Survey for the Naugatuck River at Beacon Falls. The monitoring site is located a short distance downstream of the NTC discharge and is representative of post-mixing conditions. This data provided a basis for derivation of a total to dissolved metals translator as follows:

- 1. USGS dissolved and total metal data were plotted in time series for the period 1992 through 1994 to confirm that no obvious temporal trends existed in the data set which would bias results.*
- 2. Dissolved to Total metal ratios were calculated and plotted against streamflow, log transformed streamflow, pH, TOC, and TSS. Strong linear relationships between these paired variables which would be of predictive value were not identified.*
- 3. The D/T ratio for each metal was calculated as the geometric mean of the D/T ratios for monitoring data collected at streamflows less than 500 cfs. Data for higher streamflows*

was excluded from the calculation because visual observation of the data plots suggested that these values may not be representative of partitioning under lower flow conditions. 500 cfs is approximately 10 times the 7-day, 10-year low flow at this location.

Copper: $D/T = 0.67$; $T/D = 1.49$

Zinc: $D/T = 0.74$; $T/D = 1.35$

The background concentration of dissolved metal was derived as follows:

1. Dissolved metal was plotted against streamflow.
2. The most likely dissolved metal concentration expected to occur at a flow of 60 cfs (7Q10) at the monitoring site was estimated using a regression equation calculated from the monitoring data ($DCu = -.00444(\text{streamflow}) + 10.6 \text{ ug/L}$) or as the median metal concentration observed at flows below 500 cfs ($DZn = 24.7 \text{ ug/L}$).

Estimated dissolved copper at Beacon Falls at 60 cfs 10.3 ug/L.

Estimated dissolved zinc at Beacon Falls at 60 cfs 24.7 ug/L.

3. The mass loading of dissolved metal at the monitoring site under 7Q10 conditions was estimated by multiplying the estimated concentration by 60 cfs.

Estimated daily loading dissolved copper at Beacon Falls at 60 cfs 1.5122 Kg/d

Estimated daily loading dissolved zinc at Beacon Falls at 60 cfs 3.6237 Kg/d

4. The mass loading from NTC was estimated by multiplying the average NTC discharge rate (6 MGD) by the median effluent metal concentration derived from NTC effluent monitoring (20 ug/L Cu, 80 ug/L Zn) adjusted for the post mixing D/T ratio (0.67 Cu, 0.74 Zn).

Estimated dissolved copper loading from NTC 0.3043 Kg/d

Estimated dissolved zinc loading from NTC 1.3444 Kg/d

5. The mass of dissolved metal upstream of NTC was estimated by subtracting the dissolved mass contributed by NTC from the dissolved mass loading at the monitoring site.

Estimated dissolved copper loading upstream of NTC 1.2079 Kg/d

Estimated dissolved zinc loading upstream of NTC 2.2793 Kg/d

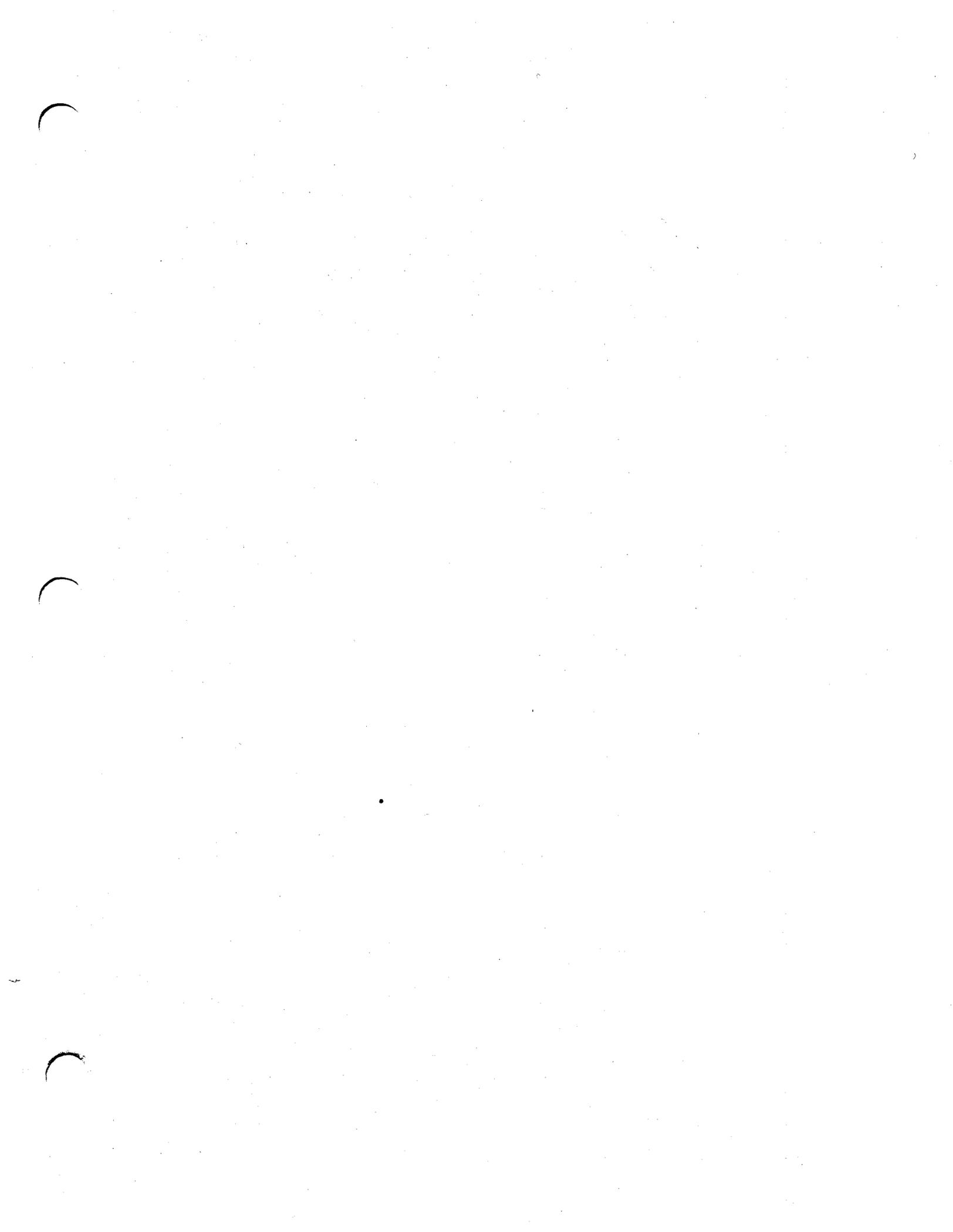
6. The streamflow upstream of NTC was estimated by subtracting the average daily flow from NTC (6 MGD) from the downstream flow (60 cfs) resulting in a predicted upstream flow prior to the NTC discharge. The dissolved metal concentration upstream of NTC was then estimated by dividing the mass loading (step 5 above) by the upstream flow rate.

Estimated dissolved copper concentration upstream NTC
Estimated dissolved zinc concentration upstream NTC

9.73 ug/L
13.38 ug/L

Average Monthly and Maximum Daily mass-based limits, were derived assuming estimated background metals concentrations at critical low flow, CV derived from monitoring data, NTC design flow, weekly monitoring frequency, and an allocated Zone Of Influence (ZOI) according to Departmental interpretation of EPA guidance. These limits were then multiplied by the T/D translator to reflect total/dissolved partitioning in-stream for each metal.

Due to high oxygen demand during the summer months seasonal CBOD limits are required. The monthly average limits are 25 mg/l from November 1 through May 31 based on EPA secondary treatment standards and 15 mg/l from June 1 through October 31 based on water quality.





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION I

J.F. KENNEDY FEDERAL BUILDING, BOSTON, MASSACHUSETTS 02203-2211

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 26, 1994
Robert E. Lambalot, Jr.
Plant Engineer
Naugatuck Treatment Company
500 Cheery Street
Naugatuck, CT 06770

NPDES
INCINERATOR
PERMIT
SOM

Re: NPDES Application No. CTL000002

Dear Mr. Lambalot:

Enclosed is your final National Pollutant Discharge Elimination System (NPDES) sewage sludge incinerator permit issued pursuant to the referenced application. The Environmental Permit Regulations, at 40 C.F.R. §124.15, 48 Fed. Reg. 14271 (April 1, 1983), require this permit to become effective on the date specified in the permit.

Also enclosed is a copy of the Agency's response to the comments received on the draft permit and information relative to hearing requests and stays of NPDES permits.

We appreciate your cooperation throughout the development of this permit. Should you have any questions concerning the permit, feel free to contact Thelma Hamilton, of my staff at 617/565-3569.

Sincerely,

Edward K. McSweeney
Edward K. McSweeney, Chief
Wastewater Management Branch

Enclosures

cc: CT Department of Environmental Protection
All Interested Parties



AUTHORIZATION FOR THE USE OR DISPOSAL OF
SEWAGE SLUDGE UNDER THE
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

In compliance with the provisions of Section 405(d) and (e) of the Federal Clean Water Act, as amended, (33 U.S.C. §§1251 et seq),

Borough of Naugatuck

is authorized to incinerate sewage sludge at :

500 Cherry Street
Naugatuck, CT

in accordance with pollutant limitations, monitoring requirements, and other conditions set forth herein.

This permit shall become effective thirty (30) days from the date of issuance.

This permit and the authorization to incinerate sewage sludge shall expire at midnight, five years from the effective date.

This permit consists of 8 pages in Part I including pollutant limitations, monitoring requirements, etc, and 35 pages in Part II including General Conditions and Definitions.

Signed this 14th day of October 1994


Director

Water Management Division
Environmental Protection Agency
Boston, MA

Antony

A. Standard Conditions

1. The permittee shall comply with all existing federal and state laws and regulations that apply to sewage sludge use and disposal practices and with the Clean Water Act (CWA) Section 405(d) technical standards.

If an applicable management practice or numerical limitation for pollutants in sewage sludge more stringent than existing federal and state regulations is promulgated under Section 405(d) of the CWA, this permit shall be modified or revoked and reissued to conform to the promulgated regulations.

2. The permittee shall give prior notice to the Director of any change(s) planned in the permittee's sludge use or disposal practice.
3. A change in the permittee's sludge use or disposal practice is a cause for modification of the permit. It is a cause for revocation and reissuance of the permit if the permittee requests or agrees.

B. General Requirements

1. No person shall fire sewage sludge in an sewage sludge incinerator except in compliance with the requirements of 40 CFR part 503 subpart E.

C. Pollutant Limitations

1. Firing of sewage sludge shall not violate the requirements in the National Emission Standard for Beryllium in 40 CFR part 61, subpart C, 10 grams per 24-hour period, per incinerator.
2. Firing of sewage sludge shall not violate the requirements in the National Emission Standard for Mercury in 40 CFR part 61, subpart E, 3200 grams per 24-hour period, per facility.

3. The daily concentration of the metals in sewage sludge fed to the incinerators shall not exceed the limit specified below (dry weight basis):

	<u>Max. Daily</u>
Arsenic.....	38 mg/kg
Cadmium.....	172 mg/kg
Chromium.....	387 mg/kg
Lead.....	1,539 mg/kg
Nickel.....	83,934 mg/kg

D. Operational Standards

1. The monthly average concentration for Total Hydrocarbons (THC), corrected to zero percent moisture and to seven percent oxygen, in the exit gas from the sewage sludge incinerator stack shall not exceed 100 ppm on a volumetric basis.

2. The measured THC concentration shall be corrected to zero percent moisture using the correction factor below:

$$\text{Correction factor} = \frac{1}{(\text{percent moisture}) (1 - X)}$$

Where:

X = decimal fraction of the percent moisture in the sewage sludge incinerator exit gas in hundredths.

3. The measured THC concentration shall be corrected to seven percent oxygen using the correction factor below:

$$\text{Correction factor} = \frac{14}{(\text{oxygen}) (21 - Y)}$$

Where:

Y = percent oxygen concentration in the sewage sludge incinerator stack exit gas (dry volume/dry volume)

4. The measured THC value shall be multiplied by the correction factors in items 2 and 3. The corrected THC value shall be used to determine compliance with Paragraph D. 1.

E. Management Practices

1. An instrument that continuously measures and records the THC concentration in the sewage sludge incinerator stack exit gas shall be installed, operated and maintained for each incinerator in accordance with the manufacturer's written instructions.
2. The THC instrument shall employ a flame ionization detector; have a heated sampling line maintained at a temperature of 150 degrees Celsius or higher at all times and shall be calibrated at least once every 24 hour operation period using propane.
3. An instrument that continuously measures and records the oxygen concentration in the sewage sludge incinerator stack exit gas shall be installed, operated and maintained for each incinerator in accordance with the manufacturer's written instructions.
4. The THC monitor(s) and the oxygen monitor(s) must meet the performance specifications detailed in "Continuous Emissions Monitoring Guidance for Part 503 Sewage Sludge Regulations EPA Region 1."
5. Upon completion of the testing to demonstrate compliance with the performance specifications, but not later than 90 days from the effective date of this permit, the operator of the incinerators shall submit a certification stating the continuous emissions monitoring system meets the performance specifications detailed in the above referenced guidance.
6. An instrument that measures and records information used to determine the moisture content in the sewage sludge incinerator stack exit gas continuously, shall be installed calibrated, operated and maintained for each sewage sludge incinerator in accordance with manufacturer's written instructions.
7. An instrument that measures and records combustion temperatures continuously shall be installed, calibrated, operated and maintained for each sewage sludge incinerator in accordance with manufacturer's written instructions.

8. The daily average of the combustion temperatures within the combustion zone of the sewage sludge incinerator shall not exceed 1650°F.
 9. The air pollution control devices shall be operated in the following manner:
 - a. The minimum amount of water to the impingement trays shall be 230 gpm and the minimum pressure drop of the exhaust gas shall be 2 inches water column.
 - b. The afterburner daily average temperature shall be minimum of 1150°F.
 - c. The wet electrostatic precipitator shall operate with a voltage at or above 40 Kv.
 10. Sewage sludge shall not be fired in a sewage sludge incinerator if it is likely to adversely affect a threatened or endangered species listed under section 4 of the Endangered Species Act or its designated critical habitat.
 11. The permittee shall notify the EPA if any continuous emission monitoring equipment is shut down or broken down for more than 72 hours while the incinerator continues to operate.
 12. Notification shall include the following:
 - a. The reason for the shut down or break down;
 - b. Steps taken to restore the system;
 - c. The expected length of the down time; and
 - d. The expected length of the incinerator operation during the down time of the monitoring system.
 13. Break downs or shut downs of less than 72 hours shall be recorded in the operations log along with an explanation of the event.
 14. Copies of all manufacturer's instructions shall be kept on file and be available during inspections.
- F. Monitoring Frequency
1. Beryllium and mercury shall be monitored at the following frequency: 6 times per year, during the months of February, April, June, August, October, and December.

2. Either stack testing or sludge testing may be used for demonstration of compliance with the mercury and beryllium requirements in Paragraphs C.1 and C.2.
3. The pollutants in Paragraph C. 3, shall be monitored at the following frequency: 1/month.
4. The operating parameters for the air pollution control devices shall be monitored at the following frequency: 1/day.
5. The THC concentration in the exit gas, the oxygen concentration in the exit gas, information from the instrument used to determine moisture content, and combustion temperatures shall be monitored continuously.

G. Sampling and Analysis

1. The sewage sludge shall be sampled at a location which is prior to charging to the incinerator and provides a representative sample of the sewage sludge being incinerated.
2. The metals in the sewage sludge shall be analyzed using "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods", EPA Publication SW-846, Second Edition (1982) with Updates I (April 1984) and II (April 1985) and Third Edition (November 1986) with Revision I (December 1987).
3. If emission testing is done for demonstration of NESHAPS, testing shall be in accordance with Method 101A in 40 CFR part 60, Appendix B, "Determination of Particulate and Gaseous Mercury Emissions from Sewage Sludge Incinerators."
4. When sludge sampling is used for demonstration of compliance with NESHAPS, the following equation shall be used:

$$E = \frac{(M) \times (Q) \times (PS)}{1000}$$

Where:

E = Emission Rate, grams/day

M = Pollutant Concentration in sewage sludge, ug/gram

Q = Sludge feed rate to incinerator, kg/day

PS = Percent solids

When determining emissions for beryllium, multiply above equation by (1 - CE). (CE is the control efficiency for beryllium.)

5. Sewage sludge samples for mercury shall be sampled and analyzed using Method 105 in 40 CFR part 61, Appendix B, "Determination of Mercury in Wastewater Treatment Plant Sewage Sludge".

H. Recordkeeping

1. The concentration of pollutants in Paragraph C. 3. Report the maximum value of each pollutant.
2. The THC concentration in the exit gas from each sewage sludge incinerator stack. Report the average monthly concentration defined in Paragraph D. 1.
3. The information that demonstrates that the requirements in the National Emission Standard for beryllium are met. The results of either the emission testing or sludge sampling shall be reported. If sludge sampling is reported, include calculation in Paragraph G.4 for compliance demonstration.
4. The information that demonstrates that the requirements in the National Emissions Standard for mercury are met. The results of either the emission testing or sludge sampling shall be reported. If sludge sampling is reported, include calculation in paragraph G.4 for compliance demonstration.
5. The combustion temperatures, including the maximum combustion temperature for each sewage sludge incinerator. Report the monthly average temperature within the combustion zone and the maximum combustion temperature described in Paragraph E.8.
6. The values for the air pollution control device(s) operating parameters. Report the monthly average operating values.
7. The oxygen concentration and information used to measure moisture content in the exit gas from the sewage sludge incinerator. Report the oxygen concentration and percent moisture results which were used to determine the THC values reported in Paragraph H.2.
8. The sewage sludge feed rate to the incinerator. Record the average daily and average monthly feed rate.
9. The stack height of the sewage sludge incinerator.

10. The dispersion factor for the site where the sewage sludge incinerator is located.
11. The control efficiency for lead, arsenic, cadmium, chromium and nickel for each incinerator.
12. The risk specific concentration for chromium, if a site specific risk specific concentration is determined.
13. A calibration and maintenance log for the instruments used to measure the THC concentration and oxygen concentration in the exit gas from the sewage sludge incinerator stack, the information needed to determine moisture content in the exit gas, and the combustion temperatures.

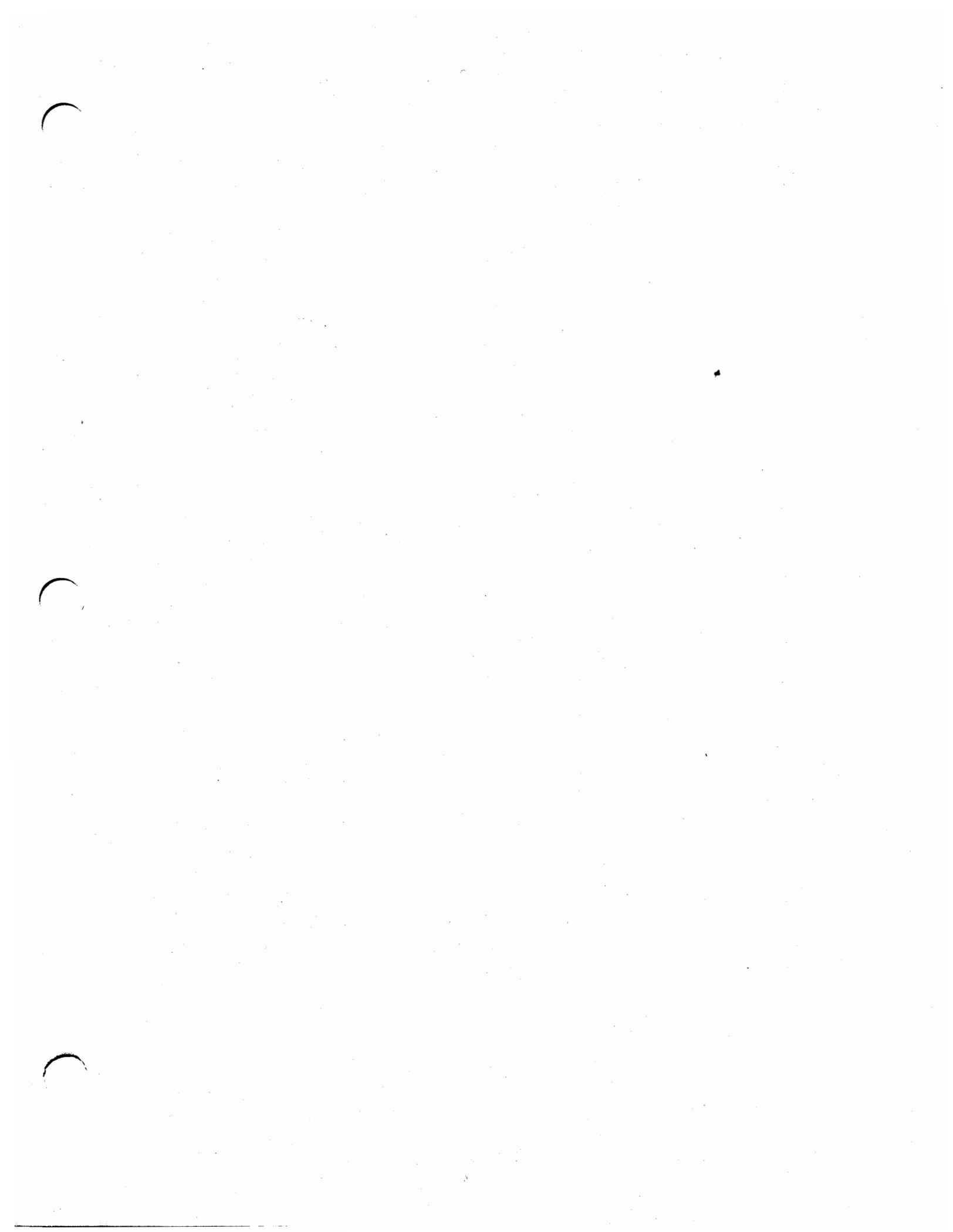
I. Reporting

The information in Paragraphs H, 1 through 7 shall be reported annually on the effective date of the permit. All reports shall be submitted to:

Environmental Protection Agency
NPDES Program Operations Section
P.O. Box 8127
Boston, Massachusetts 02114

N

Y



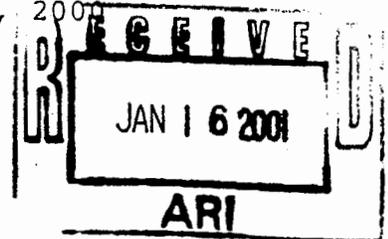
Jim Creggion
1201



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



November 27, 2001



Mayor Joan Taf
Borough of Naugatuck
229 Church Street
Naugatuck, CT 06770

Dear Mayor Taf:

Enclosed is a certified copy of your original final Title V permit to operate for the POTW facility at 500 Cherry Street, Naugatuck, CT.

This letter does not relieve you of the responsibility to comply with the requirements of other appropriate Federal, State, and municipal agencies. The permit is not transferable from one permittee to another (without prior written notification) or from one location to another.

Permit renewal applications must be filed at least six (6) months prior to the permit expiration date. Pursuant to Section 22a-174-33 subdivision (r) of the Regulations of Connecticut State Agencies, the Borough of Naugatuck must apply in writing for a permit modification for any of the reasons specified in subparagraphs (A) through (G), inclusive, of that subdivision. In addition, New Source Review (NSR) permits to construct and operate may be required. Any such changes should first be discussed with Mr. Allan B. Pilver of the Bureau of Air Management, by calling (860) 424-3686. Such changes shall not commence prior to issuance of a permit modification.

Sincerely,

Gary S. Rose
Acting Director
Engineering and Technical Services
Bureau of Air Management

GSR:jaz
Enclosure
cc: N. Warren Hess, III



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



November 27, 2000

Mr. Donald Dahl
Office of Air Permits & New Source Review
Air Pesticides & Toxics Management Div.
United States Environmental
Protection Agency
J.F.K. Federal Building
Boston, Massachusetts 02203-2211

Dear Mr. Dahl:

Enclosed please find the Title V permit issued to the Borough of Naugatuck for its POTW located in Naugatuck, Connecticut. The Department did not receive any requests for a public hearing or written objections from affected states. EPA comments submitted to the Department on August 28, 2000 have been incorporated in the permit.

Changes to the tentative determination have been discussed with your staff and have been determined to be insubstantial. We understand that EPA does not require an additional forty-five (45) calendar days to review these changes. Should you have any questions, please contact Mr. Allan B. Pilver, the case engineer at (860) 424-3686.

Sincerely,

Gary S. Rose
Acting Director
Engineering and Technical Services
Bureau of Air Management

GSR:jaz
Enclosure



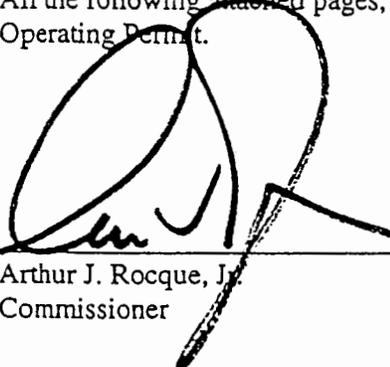
TITLE V OPERATING PERMIT

Issued pursuant to Title 22a of the Connecticut General Statutes (CGS) and Section 22a-174-33 of the Regulations of Connecticut State Agencies (RCSA) and pursuant to the Code of Federal Regulations (CFR), Title 40, Part 70.

Title V Permit Number	109-0059-TV
Client/ Sequence /Town/Premises Numbers	1307/1/109/11
Date Issued	11/27/00
Expiration Date	Five (5) years after issue date

Corporation: Borough of Naugatuck
Premises Location: 500 Cherry Street, Naugatuck, CT 06770
Name of Responsible Official and Title: Mayor Joan Taf

All the following attached pages, 2 through 36, are hereby incorporated by reference into this Title V Operating Permit.



Arthur J. Rocque, Jr.
Commissioner

11/27/00
Date

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LIST OF ACRONYMS

ACRONYM	DESCRIPTION
°F	Degrees Fahrenheit
ACFM	Actual Cubic Feet Per Minute
ASC	Actual Stack Concentration
BAM	Bureau of Air Management
CEM	Continuous Emission Monitor
CFR	Code of Federal Regulations
CGS	Connecticut General Statutes
CP/OP	Construction Permit/Operating Permit
DEP	Department of Environmental Protection
EMU	Emission Unit
EPA	Environmental Protection Agency
GEMU	Grouped Emission Unit
HAP	Hazardous Air Pollutant
HLV	Hazard Limiting Value
MASC	Maximum Allowable Stack Concentration
MACT	Maximum Available Control Technology
MSDS	Material Safety Data Sheet
NSR	New Source Review
RCSA	Regulations of Connecticut State Agencies
RMP	Risk Management Plan
SIC	Standard Industrial Classification Code
VOC	Volatile Organic Compound

Title V Operating Permit

All conditions in Sections III, IV, VI and VII of this permit are enforceable by both the Administrator and the Commissioner unless otherwise specified. Applicable requirements and compliance demonstration are set forth in Section III of this permit. The Administrator or any citizen of the United States may bring an action to enforce all permit terms or conditions or requirements contained in Sections III, IV, VI and VII of this permit in accordance with the Clean Air Act (CAA), as amended.

Section I: Premises Information/Description

A. PREMISES INFORMATION

Nature of Business: Publicly Owned Treatment Works (POTW) with sewage sludge incinerators
Primary SIC: 4952

Facility Mailing Address: 500 Cherry Street, Naugatuck, CT 06770
Telephone Number: (203) 723-1433

B. PREMISES DESCRIPTION

The Borough of Naugatuck (Borough) owns a Publicly Owned Treatment Works (POTW). The permittee commenced construction of the POTW on or about August 15, 1972. The facility has been in operation since 1973. The plant is operated by a contractor hired by the Borough. Two multiple hearth incinerators are in operation at the POTW. They are fired with sludge. Oil is used as an auxiliary fuel. The Borough's facility houses settling tanks, aeration tanks, thickening tanks, holding tanks, sludge belt filter presses, external combustion sources and a number of storage tanks.

Section II: Emissions Units Information

A. EMISSIONS UNITS IDENTIFICATION: STANDARD OPERATING SCENARIO (SOS)

Emission units are set forth in Table II.A.1.

Emissions Units	Emissions Unit Description	Control Unit Description	Permit, Order or Registration Number
EMU1	Wet Well, 18,782 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU2	Primary Settling Tank No. 1, 300,000 gallons	Passive Canvas/Cable Coverage	N/A
EMU3	Primary Settling Tank No. 2, 300,000 gallons	Passive Canvas/Cable Coverage	N/A
EMU4	Primary Settling Tank No. 3, 300,000 gallons	N/A	N/A
EMU5	Primary Settling Tank, Weir Sections	Primary Scrubber-Ceilcote HRP-23-48	N/A
EMU6	Primary Effluent Channel	Primary Scrubber-Ceilcote HRP-23-48	N/A
EMU7	Aeration Tank No. 1, 1.17x10 ⁶ gallons	N/A	N/A
EMU8	Aeration Tank No. 2, 1.17x10 ⁶ gallons	N/A	N/A
EMU9	Aeration Tank No. 3, 1.17x10 ⁶ gallons	N/A	N/A
EMU10	Aeration Tank No. 4, 1.17x10 ⁶ gallons	N/A	N/A
EMU11	Aeration Tank No. 5, 1.17x10 ⁶ gallons	N/A	N/A
EMU12	Aeration Tank No. 6, 1.17x10 ⁶ gallons	N/A	N/A
EMU13	Secondary Settling Tank No.1, 500,000 gallons	N/A	N/A

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TABLE II.A.1: EMISSIONS UNIT DESCRIPTION

Emissions Units	Emissions Unit Description	Control Unit Description	Permit Order or Registration Number
EMU14	Secondary Settling Tank No.2, 500,000 gallons	N/A	N/A
EMU15	Secondary Settling Tank No.3, 500,000 gallons	N/A	N/A
EMU16	Secondary Settling Tank No.4, 500,000 gallons	N/A	N/A
EMU17	Sludge Thickener Tank No. 1, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU18	Sludge Thickener Tank No. 2, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU19	Sludge Thickener Tank No. 3, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU20	Sludge Thickener Tank No. 4, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU21	Sludge Holding Tank No. 1, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU22	Sludge Holding Tank No. 2, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU23	Sludge Holding Tank No. 3, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU24	Sludge Holding Tank No. 4, 100,000 gallons	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU25	Sludge Belt Filter Press No. 1	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU26	Sludge Belt Filter Press No. 2	CVE Scrubber-Ceilcote SPT-96-120	N/A
EMU27	Sludge Belt Filter Press Washer Heater, 1.2 MMBTU/hr	N/A	N/A
EMU28	Secondary Wasting Gravibelt	N/A	N/A

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TABLE II.A.1: EMISSIONS UNIT DESCRIPTION

Emissions Units	Emissions Unit Description	Control Unit Description	Permit, Order, or Registration Number
EMU29	Nichols Multiple Hearth Sewage Sludge Incinerator	Zero Hearth Afterburner, Tray Impingement Scrubber, Wet Electrostatic Precipitator	109-0001
EMU30	Nichols Multiple Hearth Sewage Sludge Incinerator	Zero Hearth Afterburner, Tray Impingement Scrubber, Wet Electrostatic Precipitator	109-0002
EMU31	Burnham PF 502 Boiler No. 1, 1.16 MMBTU/hr	N/A	N/A
EMU32	Burnham PF 502 Boiler No. 2, 1.16 MMBTU/hr	N/A	N/A
EMU33	Peerless O-705-FDA-WU Boiler, 0.71 MMBTU/hr	N/A	N/A
EMU34	Peerless JO-45-PF-WPCF Boiler, 0.3 MMBTU/hr	N/A	N/A
EMU35	Onan 400 KW Emergency Generator Set, 4.19 MMBTU/hr	N/A	N/A
EMU36	Currently not in use (emission unit number is unassigned)	N/A	N/A
EMU37	Underground Storage Tank, 20,000 gallons, No. 2 Fuel	N/A	N/A
EMU38	Above Ground Storage Tank, 330 gallons, No. 2 Fuel	N/A	N/A
EMU39	Above Ground Storage Tank, 275 gallons, Kerosene	N/A	N/A
EMU40	Above Ground Storage Tank, 580 gallons, Waste Lube Oil	N/A	N/A

TABLE II.A.1: EMISSIONS UNIT DESCRIPTION

Emissions Units	Emissions Unit Description	Control Unit Description	Permit, Order, or Registration Number
EMU41	Above Ground Storage Tank, 275 gallons, No. 2 Fuel Oil	N/A	N/A
EMU42	Above Ground Storage Tank, 275 gallons, No. 2 Fuel Oil	N/A	N/A
EMU43	Mannich Polymer Tank No. 1, 6,000 gallons	N/A	N/A
EMU44	Mannich Polymer Tank No. 2, 6,000 gallons	N/A	N/A
EMU45	Mannich Polymer Day Tank No. 1, 1,000 gallons	N/A	N/A
EMU46	Mannich Polymer Day Tank No. 2, 1,000 gallons	N/A	N/A
EMU47	Mannich Polymer Day Tank No. 3, 1,000 gallons	N/A	N/A
EMU48	Mannich Polymer Day Tank No. 4, 1,000 gallons	N/A	N/A
EMU49	Safety Kleen Parts Washer, 30 gallons Petroleum Solvent	N/A	N/A
EU50	Mannich Polymer Day Tank No. 5, 1,000 gallons	N/A	N/A
EU51	Mannich Polymer Day Tank No. 6, 1,000 gallons	N/A	N/A

(*) It is not intended to incorporate by reference these NSR Permits, Orders, or Registrations into this Title V Operating Permit.

B. THERE ARE NO ALTERNATE OPERATING SCENARIOS (AOS) IN THIS PERMIT.

C. [RESERVED, PENDING APPLICABLE REGULATORY REVISIONS]

Section III: Applicable Requirements and Compliance Demonstration

The following tables contain summaries of applicable regulations and compliance demonstration for each identified Emissions Unit and Operating Scenario, regulated by this permit. Note that numerical values stated in Tables III.A through III.G in the column with the heading "Limitations or Restrictions" are maximum allowable rates unless stated otherwise.

Required calibration and maintenance activities shall be performed by the permittee in accordance with manufacturer's specifications.

A. EMISSIONS UNITS 29 & 30 (Two identical sewage sludge incinerators)

Per permit numbers 109-0001 and 109-0002, the permittee shall continuously maintain and operate the incinerators/scrubbers under optimum compliant operating conditions as defined and described in the NSR permits, the manufacturer and the RCSA. Determination of whether acceptable operating and maintenance procedures are being used will be based on information which may include, but is not limited to, monitoring results, opacity observations, review of operating maintenance procedures, and inspection of the source. Per permit numbers 109-0001 and 109-0002, the Combustion Engineering Associates scrubbers must be operated at all times the incinerators are operated.

Table III.A: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant(s) or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
1	Waste Type	Type 4 and 5 (defined by RCSA §22a-174-18(c)(1)(xiii) and -(xiv))	Permit nos. 109-0001 and 109-0002	<p><u>Monitoring and Testing Requirements</u> The permittee shall monitor all materials that are fed to each incinerator.</p> <p><u>Record Keeping Requirements</u> a. The permittee shall record the date of all instances of incinerator feed materials that are not Type 4 or 5 waste, and record a description of the nonconforming materials, the quantity of such materials, and the source thereof. b. The permittee shall make and keep records as described, for a minimum of five (5) years commencing on the date such records were created.</p> <p><u>Reporting Requirements</u> The permittee shall submit records of all non-type 4 or 5 waste that are fed into the incinerator in accordance with paragraph I of permit Section VII: Title V Requirements.</p>
2	Charging Rate	2,400 lb/hr on a dry basis	Permit nos. 109-0001 and 109-0002	<p><u>Monitoring and Testing Requirements</u> a. The permittee shall install, calibrate, maintain and operate a flow measuring device</p>

Table I. EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
				<p>which can be used to determine either the mass or volume of sludge charged to each incinerator. The flow device shall be certified by the manufacturer to have an accuracy of $\pm 5\%$ over the operating range. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p>b. The sludge hourly charging rate shall be determined monthly based on a thirty day average as determined either by the product of the mass of sludge wet cake fed per unit time to the incinerator times the press cake solids fraction (i.e., dry mass/total mass) if a continuous weigh belt is used, or the product of the volumetric feed (in gallons of total wet feed per hour) times the density of wet feed to the dewatering press times the fraction of sludge storage tank solids (in mass of solids/total mass) measured by the daily grab sample. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p><u>Record Keeping Requirements</u> The permittee shall create and retain records of the rate of sludge charged to each incinerator in accordance with Section VII.F. of this permit. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>
3	Sludge Moisture Content and Volatile Solids Content	85% moisture	Permit nos. 109-0001, and 109-0002	<p><u>Monitoring and Testing Requirements</u></p> <p>a. The permittee shall collect and analyze a well-mixed representative grab sample of the sludge fed to the incinerator once per day. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p>b. The permittee shall provide access to the sludge charged so that a well-mixed representative grab sample of the sludge can be obtained. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p>c. The dry sludge content and the volatile solids content of the sample shall be determined in accordance with the method specified under 40 CFR §60.154. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p><u>Record Keeping Requirements</u> The permittee shall create and retain records of sludge moisture content and volatile solids content in accordance with Section VII.F of this permit. [RCSA §22a-174-</p>

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Table III.A: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
				<p>33(j)(1)(K)(ii)</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>
4	Fuel Type and Rate	No. 2 oil, 29 gallons/hr per hearth burner	Permit nos. 109-0001 and 109-0002	<p><u>Monitoring and Testing Requirements</u></p> <p>a. The permittee shall install, calibrate, maintain and operate a device for measuring the fuel flow to each incinerator. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p>b. The flow measuring device shall be certified by the manufacturer to have an accuracy of ±5% over its operating range. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p>c. The fuel flow measuring device shall be operated continuously. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p><u>Record Keeping Requirements</u> Fuel flow measured data shall be recorded during all periods of operation of each incinerator and the records retained in accordance with Section VII.F. of this permit. [RCSA §22a-174-33(j)(1)(K)(ii)]</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>
5	Number of Burners and Location	Two burners on each of the hearths 2, 4, and 6 (for a total of 6 burners per incinerator, excluding an afterburner in each incinerator)	Permit nos. 109-0001 and 109-0002	<p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>

Table 1: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
6	Scrubber Operating Parameters	<p>Minimum water flow to each scrubber is 230 gal/min.</p> <p>Minimum water pressure to sprays is 2 inches water</p>	<p>Permit Nos. 109-0001 and 109-0002</p> <p>Permit Nos. 109-0001 and 109-0002</p>	<p><u>Monitoring and Testing Requirements</u> The permittee shall continuously monitor water flow rate to each scrubber and water pressure to scrubber sprays.</p> <p><u>Record Keeping Requirements</u> The permittee shall create and retain records of the measured water flow rate and water pressure to sprays for each wet scrubbing device in accordance with Section VII.F. of this permit.</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements</p>
7	Particulate Matter	<p><20%; except <40% for a period or periods aggregating not more than 5 minutes in any 60 minutes</p> <p>Particulate Matter emissions which are individually large enough to be discernible by the human eye are prohibited.</p> <p>0.4 lb/1,000 lbs. flue gases adjusted to 50% excess air</p>	<p>RCSA §22a-174-18(a)(1)</p> <p>RCSA §22a-174-18(c)(3)</p> <p>RCSA §22a-174-18(c)(3)(i)</p>	<p><u>Monitoring and Testing Requirements</u></p> <ol style="list-style-type: none"> Per RCSA § 22a-174-4, the permittee shall install, maintain, and operate a smoke and opacity monitor on each incinerator that has been approved in accordance with RCSA § 22a-174-4(d)(1). Each opacity monitor shall be maintained in operation at any time that the incinerators are in operation. [RCSA §22a-174-4] The permittee shall not deliberately shut down the opacity monitor while the incinerators are in operation or are emitting air pollutants. [RCSA §22a-174-4] In the case of deliberate shutdown or of a breakdown or failure of an opacity monitor during which time the incinerator associated with that monitor will be in operation, all reasonable measures shall be taken to assure resumption of monitoring as soon as possible. In the event such shutdown of an opacity monitor is expected, or may reasonably be expected, to continue for longer than seventy-two (72) hours, and if the subject incinerator is to be operated at any time during that period, the DEP shall be promptly notified in writing. Such notification shall specify the steps being taken to restore monitoring, the expected duration of the monitoring shutdown, and the length of time that the incinerator will be in operation during the shut down (RCSA § 22a-174-4(e)(3)). [RCSA §22a-174-4] The permittee shall calibrate opacity monitoring equipment in accordance with manufacturer's recommendations. [RCSA §22a-174-4]

Table III.A: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant(s) or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
				<p>f. The information collected with the opacity monitor shall be used in determining compliance with the provisions of RCSA §22a-174-18(a)(1). [RCSA §22a-174-4]</p> <p>g. The permittee shall be subject to permit Section VII.N for the purpose of determining compliance with the limitations on particulate size.</p> <p>h. The permittee shall demonstrate compliance with the 0.4 lb/1,000 lbs flue gas particulate matter emission limit either by emission testing by the method specified as Method 5 in Title 40 CFR 60 [RCSA §22a-174-5(b)(5)], or by engineering calculations using representative emission factors. [RCSA §22a-174-33(j)(1)(K)(ii)].</p> <p><u>Record Keeping Requirements</u></p> <p>a. Opacity monitoring data shall be kept current and in a form allowing easy inspection. [RCSA §22a-174-4]</p> <p>b. Opacity monitoring data shall be retained by permittee for a period of at least five years.</p> <p><u>Reporting Requirements</u></p> <p>a. The permittee shall submit to the Commissioner on forms furnished or prescribed by the DEP a report summarizing opacity monitoring data for the preceding three months. Such reports shall be due not later than thirty (30) days following the end of each calendar quarter. [RCSA §22a-174-4(c)]</p> <p>b. The permittee shall include information on the total process operating time of the equipment over the three (3) preceding months. [RCSA §22a-174-4(d)]</p> <p>c. The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>
8	Beryllium	0.022 pounds (10 grams) over a 24-hour period	40 CFR 61 Subpart C (§61.32(a))	<p><u>Monitoring and Testing Requirements</u></p> <p>Emission testing shall be conducted per the requirements under 40 CFR § 61.33.</p> <p><u>Record Keeping Requirements</u></p> <p>The permittee shall make and keep records of emission testing for a minimum of five (5) years commencing on the date such records were created.</p>

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Table 1.: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutant or Process Parameters	Limitation or Restrictions	Applicable Regulatory Reference/Citations	Compliance Demonstration Requirements
				<p>Reporting Requirements The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>
9	NOx	<p>Comply with RCSA § 22a-174-22(d)(2) requirements, per the Section IV Compliance Schedule, for emission limitation of 0.33 lb/MMBTU, or 40% NOx reduction; or receive a permit or order per RCSA § 22a-174-22(d)(4) for emission reduction trading.</p>	RCSA § 22a-174-22	<p>Monitoring and Testing Requirements See Section IV. Compliance Schedule.</p> <p>The permittee shall conduct emission testing at least once every five years. The five-year period shall begin once the last NOx emission tests are completed. Compliance with the 0.33 lb/MMBTU emission limitation shall be determined based on the average of three (3) one hour tests, each performed over a consecutive 60-minute period.</p> <p>Sampling shall be conducted when the source is at normal operating temperature and, unless otherwise allowed by the Commissioner in a permit or order, is operating at or above ninety percent (90%) of maximum rated capacity.</p> <p>The permittee shall submit a written intent-to-test (ITT) protocol for the Commissioner's review and written approval not less than sixty (60) days prior to the emissions testing. The ITT submission shall comply with the Department of Environmental Protection Emission Test Guidelines and Form AE-404. [RCSA §22a-174-5(d)]</p> <p>Record Keeping Requirements See Section IV. Compliance Schedule.</p> <p>The permittee shall make and keep records as described, for a minimum of five (5) years commencing on the date such records were created.</p> <p>Reporting Requirements See Section IV. Compliance Schedule.</p>
10	Mercury	7.05 pounds (3,200 grams) over a 24-hour period	40 CFR 61 Subpart E (\$61.52(b))	<p>Monitoring and Testing Requirements The permittee shall demonstrate compliance with the emission standard by testing emissions per 40 CFR §61.53(d) or by sludge sampling per 40 CFR §61.54.</p>

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Table III.A: EMISSION UNITS 29 & 30 (EMU 29 & 30)

Item No.	Pollutants or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
				<p>If emissions exceed 3.53 pounds (1,600 grams) per 24-hour period, demonstrated either by stack sampling in accordance with 40 CFR § 61.53(d) or sludge sampling in accordance with 40 CFR § 61.54, the permittee shall monitor mercury emissions at intervals of at least once per year by use of Method 105 of Appendix B to 40 CFR Part 60 or the procedures specified in 40 CFR § 61.53(d)(2) and (4).</p> <p><u>Record Keeping Requirements</u> The permittee shall make and keep monitoring and testing records as required, for a minimum of five (5) years commencing on the date such records were created.</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>

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B. EMISSIONS UNITS 31 & 32 (Two identical Burnham PF 502 Boilers)

Table III.B: EMISSION UNIT 31 & 32 (EMU 31 & 32)

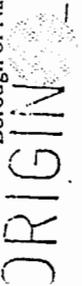
Item No.	Pollutant(s) or Process Parameters	Limitations or Restrictions	Applicable Regulatory Reference/Citations	Compliance Demonstration Requirements
11	Particulate Matter	< 20% Opacity; except ≤40% for a period or periods aggregating not more than 5 minutes in any 60 minutes.	RCSA § 22a-174-18(a)(1)	<p>a. All opacity observations that do not comply with this limitation shall be reported to the Commissioner.</p> <p>b. The permittee shall be subject to Section VII.N.</p> <p>Compliance was demonstrated via emission factor from AP-42, section 1.3, 5th edition, January, 1995.</p> <p>The permittee shall perform record keeping and submit reports in accordance with permit Section VII: Title V Requirements.</p>
12	Fuel	0.2 lb/MMBTU	RCSA § 22a-174-18(a)(1)	The permittee shall only burn no. 2 fuel oil containing not more than 1.0% sulfur.

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C. EMISSIONS UNITS 33 & 34 (Peerless Boilers O-705-FDA-WU and JO-45-PF-WPCF)

Table III.C: EMISSION UNIT 33 & 34 (EMU 33 & 34)

Item No.	Pollutant or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
13	Particulate Matter	<p>< 20% Opacity; except ≤40% for a period or periods aggregating not more than 5 minutes in any 60 minutes.</p>	<p>RCSA § 22a-174-18(a)(1)</p>	<p>a. All opacity observations that do not comply with this limitation shall be reported to the Commissioner. b. The permittee shall be subject to Section VII.N. Compliance was demonstrated via emission factor from AP-42, section 1.3, 5th edition, January, 1995. The permittee shall perform record keeping and submit reports in accordance with permit Section VII: Title V Requirements.</p>
14	Fuel	<p>0.2 lb/MMBTU</p>	<p>RCSA § 22a-174-18</p>	<p>The permittee shall only burn no. 2 fuel oil containing not more than 1.0% sulfur.</p>



D. EMISSIONS UNIT 35 (Onan 400 KW Emergency Generator Set)

Table III.D: EMISSION UNIT 35 (EMU 35)

Item No.	Pollutant or Process Parameter	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
15	Particulate Matter	< 20% Opacity; except ≤40% for a period or periods aggregating not more than 5 minutes in any 60 minutes.	RCSA § 22a-174-18(a)(1)	<p>a. All opacity observations that do not comply with this limitation shall be reported to the Commissioner.</p> <p>b. The permittee shall be subject to Section VII.N.</p> <p>Compliance was demonstrated via the permittee's calculations using manufacturer's data.</p> <p>The permittee shall perform record keeping and submit reports in accordance with permit Section VII: Title V Requirements.</p>
16	Fuel	0.2 lb/MMBTU	RCSA § 22a-174-18(d)(1)	The permittee shall only burn diesel fuel oil containing not more than 1.0% sulfur.
17	NOx	The engine shall not be operated for routine, scheduled testing or maintenance on any day for which the Commissioner has forecast that ozone levels will be "moderate to unhealthful," "unhealthful,"	RCSA §22a-174-22(b)(5), RCSA 22a-174-22(1)(1)(A)	<p><u>Record Keeping Requirements</u></p> <p>The permittee shall keep records of engine operating hours and dates, identifying the operating hours of emergency and non-emergency use. If engine operation is for non-emergency use, permittee shall indicate if purpose is for routine, scheduled testing, maintenance, or actual use for electricity generation.</p>

Table III.D: EMISSION UNIT 35 (EMU 35)

Item No.	Pollutants or Process Parameters	Limitations or Restrictions	Applicable Regulations, References/Citations	Compliance Demonstration Requirements
		or "very unhealthful."		

ORIGINAL

E. EMISSIONS UNIT 27 (Sludge Belt Filter Press Washer Heater)

Table III.E: EMISSION UNIT 27 (EMU 27)

Item No.	Pollutants or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
18	TSP	0.2 lb/MMBTU	RCSA § 22a-174-18(d)	Compliance was demonstrated via emission factor from AP-42, section 1.3, 5 th edition, January, 1995.
19	Fuel	1% sulfur content	RCSA § 22a-174-19	The permittee shall not burn kerosene fuel containing > 1% sulfur.

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F. EMISSIONS UNIT 37 (20,000 Gallon No. 2 Fuel Oil Underground Storage Tank)

The capacity of the tank is approximately 80 m³ and the true vapor pressure of no. 2 fuel oil is much less than 15.0 kPa.

Per 40 CFR 60.11 (d), at all times, including periods of startup, shutdown, and malfunction, the permittee shall, to the extent practicable, maintain and operate the storage tanks including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Commissioner which may include, but is not limited to, monitoring results, opacity observations, review of operating maintenance procedures, and inspection of the source.

Table III.F: EMISSIONS UNIT 37 (EMU 37)

Item No.	Pollutant(s) or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
20	Volatile Organic Liquid	Storage tank capacity $\geq 75 \text{ m}^3$ and 151 m^3 and with a maximum true vapor pressure less than 15.0 kPa	40 CFR 60 Subpart Kb (§ 60.110b(c) and § 60.116b(b))	<p><u>Record Keeping Requirements</u> The permittee shall keep readily accessible records showing the dimension of the storage vessel and an analysis showing the capacity of the storage vessel.</p> <p>The permittee shall make and keep records as described, for a minimum of five (5) years commencing on the date such records were created.</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>

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G. EMISSIONS UNIT 49 (Safety Klean Parts Washer, Open Top Cold Cleaner)

Table III.C: EMISSIONS UNIT 49 (EMU 49)

Item No.	Pollutant or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Requirements
21	Design and Operating Conditions	See Compliance Requirements	RCSA § 22a-174-20(1)(3)	<p>The permittee shall meet the following requirements:</p> <ol style="list-style-type: none"> a. Equip the cleaning device with a cover designed so that it can be easily operated with one hand. b. Equip the cleaning device with a facility for draining cleaned parts constructed internally so that parts are enclosed under the cover while draining. c. Store waste degreasing solvent only in covered containers and do not dispose of waste degreasing solvent or transfer it to another party, in a manner such that greater than 20 percent of the waste degreasing solvent (by weight) can evaporate into the atmosphere. d. Close the cover whenever parts are not being handled in the cleaner for two (2) minutes or more, or when the device is not in use. e. Drain the cleaned parts for at least fifteen seconds or until dripping ceases, whichever is longer. f. If used, supply a degreasing solvent spray that is a solid fluid stream (not a fine, atomized or shower type spray) at a pressure which does not exceed ten (10) pounds per square inch as measured at the pump outlet and perform such spraying within the confines of the cold cleaning unit. g. Install one of the following control devices if the solvent vapor pressure is greater than 4.3 kilo pascals (33 millimeters of mercury or 0.6 pounds per square inch) measured at 38 degrees Celsius (100 degrees Fahrenheit) : <ol style="list-style-type: none"> i. freeboard that gives a freeboard ratio greater than or equal to 0.7; ii. water cover (solvent must be insoluble in and heavier than water); or iii. other systems of equivalent control, equal to that of a "refrigerated chiller" or carbon adsorption approved by the commissioner by permit or order. h. Minimize the drafts across the top of each cold cleaning unit such that whenever the cover is open the unit is not exposed to drafts greater than 40 meters per minute, as measured between 1 and 2 meters upwind, and at the same elevation as the tank lip. i. Do not operate the unit upon the occurrence of any visible solvent leak until such leak is repaired. j. Provide a permanent, conspicuous label on or posted near each unit summarizing the applicable operating requirements.

ORIGINAL

Table III.G: EMISSIONS UNIT 49 (EMU 49)

Item No.	Pollutants or Process Parameters	Limitations or Restrictions	Applicable Regulatory References/Citations	Compliance Requirements
				<p><u>Record Keeping Requirements</u> The permittee shall maintain a monthly record of the amount of solvent added to cleaner unit.</p> <p>The permittee shall make and keep records as described, for a minimum of five (5) years commencing on the date such records were created.</p> <p><u>Reporting Requirements</u> The permittee shall submit reports in accordance with permit Section VII: Title V Requirements.</p>

ORIGINAL

H. PREMISES-WIDE GENERAL REQUIREMENTS

Table III.H: PREMISES-WIDE GENERAL REQUIREMENTS		
Pollutants or Process Parameters	Applicable Regulatory References/Citations	Compliance Demonstration Requirements
Annual Emission Statements	RCSA §22a-174-4	In accordance with RCSA §22a-174-4(c)(1), the permittee shall submit annual emission inventory statements.
Emergency Episode Procedures	RCSA §22a-174-6	The permittee shall comply with the procedures for emergency episodes as specified in RCSA §22a-174-6.
Public Availability of Information	RCSA §22a-174-10	The public availability of information shall apply, as specified in RCSA 22a-174-10.
Prohibition against Concealment/circumvention	RCSA §22a-174-11	The permittee shall comply with the prohibition against concealment or circumvention as specified in RCSA 22a-174-11.
Emission Fees	RCSA §22a-174-26	The permittee shall pay an emission fee in accordance with RCSA §22a-174-26(d).

Section IV: Compliance Schedule

TABLE IV: COMPLIANCE SCHEDULE

Emissions units	Applicable regulations	Steps required for achieving compliance (Milestones)	Date by which each step is to be completed	Dates for monitoring, record keeping, and reporting
EMUs 29 & 30	RCSA §22a-174-22	Permittee shall submit its plan for achieving compliance with RCSA §22a-174-22.	The permittee shall submit the compliance plan within ninety (90) days after the issue date of this operating permit.	Not applicable at this time.
EMU 37	RCSA §22a-174-3(a)(2), RCSA §22a-174-3(b)(1)(D), and RCSA §22a-174-3(f)(1)(C)	Permittee shall submit applications for permits to construct and operate.	The permittee shall submit complete applications to construct and operate within sixty (60) days after the issue date of this operating permit.	Not applicable at this time.

ORIGINAL

Section V: State Enforceable Terms and Conditions

Only the Commissioner of the Department of Environmental Protection has the authority to enforce the terms, conditions and limitations contained in this section.

- A. This permit does not relieve the permittee of the responsibility to conduct, maintain and operate the emissions units in compliance with all applicable requirements of any other Bureau of the Department of Environmental Protection or any federal, local or other state agency. Nothing in this permit shall relieve the permittee of other obligations under applicable federal, state and local law.
- B. Nothing in this permit shall affect the Commissioner's authority to institute any proceeding or take any other action to prevent or abate violations of law, prevent or abate pollution, investigate air pollution, recover costs and natural resource damages, and to impose penalties for violations of law, including but not limited to violations of this or any other permit issued to the permittee by the Commissioner.
- C. Odors: The permittee shall not cause or permit the emission of any substance or combination of substances which creates or contributes to an odor beyond the property boundary of the premises in accordance with the provisions of RCSA Section 22a-174-23.
- D. Noise: The permittee shall operate in compliance with the Department of Environmental Protection's regulations for the control of noise (RCSA Section 22a-69-1 through 22a-69-7.4 inclusive).
- E. Open Burning: The permittee is prohibited from conducting open burning, except as may be allowed by CGS §22a-174(f).
- F. The permittee shall adhere to the stack dimensions stated below.

EMU Number	EMU Description	Minimum Stack Height (ft)	Permit Number
EMU 29	Sewage Sludge Incinerator	63	109-0001
EMU 30	Sewage Sludge Incinerator	63	109-0002

- G. Hazardous Air Pollutants: The permittee shall operate in compliance with the Department of Environmental Protection's regulations for the control of hazardous air pollutants (RCSA Section 22a-174-29).
- H. Fuel Sulfur Content: The permittee shall not use #2 heating oil that exceeds three-tenths of one percent sulfur by weight (CGS §22a-21a).

Section VI: Permit Shield

NOTE: NO PERMIT SHIELD APPLICABLE REQUIREMENTS ARE INCLUDED IN THIS PERMIT.



ORIGINAL

Section VII: Title V Requirements

The Administrator of the United States Environmental Protection Agency and the Commissioner of Environmental Protection have the authority to enforce the terms and conditions contained in these sections.

A. SUBMITTALS TO THE COMMISSIONER & ADMINISTRATOR.

The date of submission to the Commissioner of any document required by this permit shall be the date such document is received by the Commissioner. The date of any notice by the Commissioner under this permit, including, but not limited to notice of approval or disapproval of any document or other action, shall be the date such notice is delivered or the date three days after it is mailed by the Commissioner, whichever is earlier. Except as otherwise specified in this permit, the word "day" means calendar day. Any document or action which is required by this permit to be submitted or performed by a date which falls on a Saturday, Sunday or legal holiday shall be submitted or performed by the next business day thereafter.

Any document required to be submitted to the Commissioner under this permit shall, unless otherwise specified in writing by the Commissioner, be directed to: Office of the Director; Compliance & Field Operations Division; Bureau of Air Management; Department of Environmental Protection; 79 Elm Street, 6th Floor; Hartford, Connecticut 06106-5127.

Any submittal to the Administrator of the U. S. Environmental Protection Agency shall be in a computer-readable format and addressed to: Director, Air Compliance Program; Attn: Air Compliance Clerk; Office of Environmental Stewardship; US EPA, Region 1; Suite 1100; JFK Federal Building, Boston, MA 02114-2023.

B. CERTIFICATIONS [RCSA 22a-174-33(b)]

In accordance with Section 22a-174-33(b) of the RCSA, any report or other document required by this Title V permit and any other information submitted to the Commissioner or Administrator shall be signed by an individual described in Section 22a-174-33(b) of the RCSA, or by a duly authorized representative of such individual. Any individual signing any document pursuant to Section 22a-174-33(b) of the RCSA shall examine and be familiar with the information submitted in the document and all attachments thereto, and shall make inquiry of those individuals responsible for obtaining the information to determine that the information is true, accurate, and complete, and shall also sign the following certification as provided in Section 22a-3a-5(a)(2) of the RCSA:

"I have personally examined and am familiar with the information submitted in the documents and all attachments thereto and certify that based on reasonable investigation, including my inquiry of those individuals responsible for obtaining the information, the submitted information is true, accurate and complete to the best of my knowledge and belief. I understand that any false statement made in this document or its attachments may be punishable as a criminal offense in accordance with Connecticut General Statutes Section 22a-6, pursuant to Section 53a-157b of the Connecticut General Statutes.≡

C. AUTHORIZED REPRESENTATIVE [RCSA 22a-174-33(b)(3)]

If an authorization pursuant to Section 22a-174-33(b)(2) of the RCSA is no longer effective because a different individual or position has assumed the applicable responsibility, a new authorization satisfying the requirements of Section 22a-174-33(b)(2) of the RCSA shall be submitted to the Commissioner prior to or together with the submission of any applications, reports, forms, compliance certifications, documents or other information which is signed by an individual or a duly authorized representative of such individual pursuant to Section 22a-174-33(b)(1) of the RCSA.

D. ADDITIONAL INFORMATION [RCSA 22a-174-33(j)(1)(X), RCSA 22a-174-4(c), CGS 22a-174(c), CGS 22a-177]

The permittee shall submit any additional information, at the Commissioner's request, within a reasonable time, including any information that the Commissioner may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit or to determine compliance with the terms and conditions of this permit and all applicable statutes and regulations.

In addition, within fifteen days of the date the permittee becomes aware of a change in any information submitted to the Commissioner under this permit or of any change in any information contained in the application, or that any such information was inaccurate or misleading or that any relevant information was omitted, the permittee shall submit the changed, corrected, or omitted information to the Commissioner.

E. MONITORING REPORTS [RCSA 22a-174-33(o)(1)]

A permittee, required to perform monitoring pursuant to this permit, shall submit to the Commissioner written monitoring reports in accordance with this permit and on the schedule specified in this permit and if no schedule is specified, a written monitoring report shall be submitted every six months. Such monitoring reports, in addition to other requirements specified herein, shall provide the following:

1. the date, duration, description, and cause of each deviation from the terms and conditions of the permit caused by upset or control equipment deficiencies, a violation of a permit monitoring requirement, or any other deviation from a permit requirement, which has occurred since the date of the last monitoring report; and
2. the date, duration, and description of each occurrence of a failure of the monitoring system to provide reliable data.

F. PREMISES RECORDS [RCSA 22a-174-33(o)(2)]

Unless otherwise required by this permit, the permittee shall maintain records of all required monitoring data and supporting information, and shall keep such records at the subject premises and make such records available for inspection and for copying by the Commissioner at the premises, for at least five years from the date such data and information were obtained. Such records shall be submitted to the Commissioner upon request. In addition to the other record keeping requirements specified herein, supporting information shall include:

1. the type of monitoring, which may include the record keeping, by which such monitoring data was obtained;
2. the date, place, and time of sampling or measurements;
3. the date(s) analyses of such samples or measurements were performed;
4. the name and address of the entity that performed the analyses;
5. the analytical techniques or methods used for such analyses and sampling;
6. the results of such analyses;
7. the operating conditions at the subject source at the time of such sampling or measurement; and

8. all calibration and maintenance records relating to the instrumentation used in such sampling or measurements, all original strip-chart recordings or computer printouts generated by continuous monitoring instrumentation, and copies of all reports required by this Title V permit.

G. PROGRESS REPORTS [RCSA 22a-174-33(q)(1) and 22a-174-33(q)(3)]

The permittee shall, on the schedule specified in this permit or every six months, whichever is more frequent, submit to the Commissioner and the Administrator progress reports in accordance with Section 22a-174-33(q)(1) and (3) of the RCSA which are certified in accordance with Subsection B of Section VII of this permit and which report the permittee's progress in achieving compliance under the compliance schedule in this permit. Such progress report shall contain those items identified in Section 22a-174-33(q)(1) of the RCSA.

H. COMPLIANCE CERTIFICATIONS [RCSA 22a-174-33(q)(2) and 22a-174-33(q)(3)]

The permittee shall, on the schedule specified in Section III of this permit, certify to the Commissioner and Administrator, in writing, that the terms and conditions and applicable requirements of this permit have been complied with by the permittee. Certifications shall be in accordance with Subsection B of Section VII of this permit. In addition, a compliance certification shall contain those items identified in Section 22a-174-33(q)(2) of the RCSA.

I. VIOLATION NOTIFICATION [RCSA 22a-174-33(p)]

Notwithstanding Subsection D of Section VII of this permit, pursuant to Section 22a-174-33(p)(1)(B) and (C) of the RCSA the permittee shall notify the Commissioner, within two (2) working days, in writing of any violation at the Title V source of an applicable requirement, including any term or condition of this permit, and shall identify the cause or likely cause of such violation and all corrective actions and preventive measures taken with respect thereto, and the dates of such corrective actions and preventive measures. Violations which pose an imminent and substantial danger to public health, safety, or the environment shall be reported no later than twenty-four (24) hours after the permittee learns, or in the exercise of reasonable care should have learned, of such violation in accordance with Subparagraph 22a-174-33(p)(1)(A) of the RCSA.

J. PERMIT DEVIATION REPORTING [RCSA 22a-174-33(j)(1)(O)]

Notwithstanding Subsection D of Section VII of this permit, the permittee shall submit a written report to the Commissioner concerning any deviation from permit terms or conditions caused by upset or control equipment deficiencies, any deviation from a permit requirement, the cause of such deviation, and any corrective actions to address such deviation. Such report shall be made within ninety (90) days of such deviation.

K. PERMIT EXPIRATION AND RENEWAL APPLICATION [RCSA 22a-174-33(j)(1)(B)]

Upon expiration of this permit, the permittee shall not continue to operate the subject source emissions units unless a timely (as defined in 40 CFR subpart 70.5) and complete renewal application has been submitted pursuant to Sections 22a-174-33(g), -33(h), and -33(i) of the RCSA and 40 CFR subparts 70.5 and 70.7. A violation of Section V of this permit constitutes a violation of Chapter 446c of the Connecticut General Statutes. Any other permit violations constitutes a violation of the Clean Air Act and Chapter 446c of the Connecticut General Statutes.

R. PERMIT REQUIREMENTS [RCSA 22a-174-33(j)(1)(V)]

The filing of an application by the permittee for a permit modification, reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay compliance with any permit requirement.

S. PROPERTY RIGHTS [RCSA 22a-174-33(j)(1)(W)]

This permit does not convey any property rights or any exclusive privileges. This permit is subject to, and in no way derogates from any present or future property rights or other rights or powers of the State of Connecticut, and is further subject to any and all public and private rights and to any federal, state or local laws or regulations pertinent to the facility or regulated activity affected thereby, including Section 4-181a(b) of the Connecticut General Statutes and Section 22a-3a-5(b) of the RCSA. This permit shall neither create nor affect any rights of persons who are not parties to this permit.

T. ALTERNATIVE OPERATING SCENARIO RECORDS [RCSA 22a-174-33(o)(3)]

The permittee shall, contemporaneously with making a change authorized by this permit from one alternative operating scenario to another, maintain a record at the premises indicating when changes are made from one operating scenario to another and shall maintain a record of the current alternative operating scenario.

U. OPERATIONAL FLEXIBILITY [RCSA 22a-174-33(r)(3)]

The permittee may engage in any of the activities identified in Section 22a-174-33(r)(3)(A) of the RCSA in accordance with Section 22a-174-33(r)(3) and (6) of the RCSA, as long as such activity does not constitute a modification pursuant to Section 22a-174-33(r)(1) or (2) of the RCSA; constitute a modification under 40 CFR Part 60 or 61; or exceed emissions allowable under this permit.

At least seven (7) days before initiating an action specified in subparagraph RCSA 22a-174-33(r)(3)(A) of the RCSA, the permittee shall notify the Commissioner in writing of such intended action.

V. OFF-PERMIT CHANGES [RCSA 22a-174-33(r)(4) and (5)]

Any time a permittee changes any practice at the Title V source which is not addressed or prohibited by the Title V permit, and the change is consistent with all applicable requirements, including the terms and conditions of the permit, the permittee shall submit a written notice of the intended change to the Administrator and the Commissioner. This only applies to a Title V source not triggering a Title I modification under the CAA, and not subject to any standard or other requirements pursuant to 40 CFR Parts 72 through 78, inclusive.

W. INFORMATION FOR NOTIFICATION [RCSA 22a-174-33(r)(5)]

Written notification required under subdivisions 22a-174-33(r)(3) and (4) of the RCSA shall include a description of each change to be made, the date on which such change will occur, any change in emissions that may occur as a result of such change, any Title V permit terms and conditions that may be affected by such change, and any applicable requirement that would apply as a result of such change. The permittee shall thereafter maintain a copy of such notice with the Title V permit. The Commissioner and the permittee shall each attach a copy of such notice to their copy of the permit.

X. TRANSFERS [RCSA 22a-174-33(s)(1) and (2)]

No person other than the permittee shall act or refrain from acting under the authority of this permit unless this permit has been transferred to another person in accordance with subsection 22a-174-33(s) of the RCSA and Connecticut General Statute Section 22a-6o.

The proposed transferor and transferee of a permit shall submit to the Commissioner a request for a permit transfer on a form provided by the Commissioner. A request for a permit transfer shall be accompanied by any fees required by any applicable provision of the general statutes or regulations adopted thereunder. The Commissioner may also require the proposed transferee to submit with any such request, the information identified in Section 22a-174-33(s)(2) of the RCSA and CGS Section 22a-6m.

Y. REVOCATION AND REOPENING FOR CAUSE [RCSA 22a-174-33(j)(1)(C) and RCSA 22a-174-33(t)]

The Commissioner may revoke this permit on his own initiative or on the request of the permittee or any other person, in accordance with section 4-182c of the Connecticut General Statutes, subsection (d) of section 22a-3a-5 of the RCSA, and any other applicable law. Any such request shall be in writing and contain facts and reasons supporting the request. The permittee requesting revocation of this permit shall state the requested date of revocation and provide the Commissioner with satisfactory evidence that the emissions authorized by this permit have been permanently eliminated.

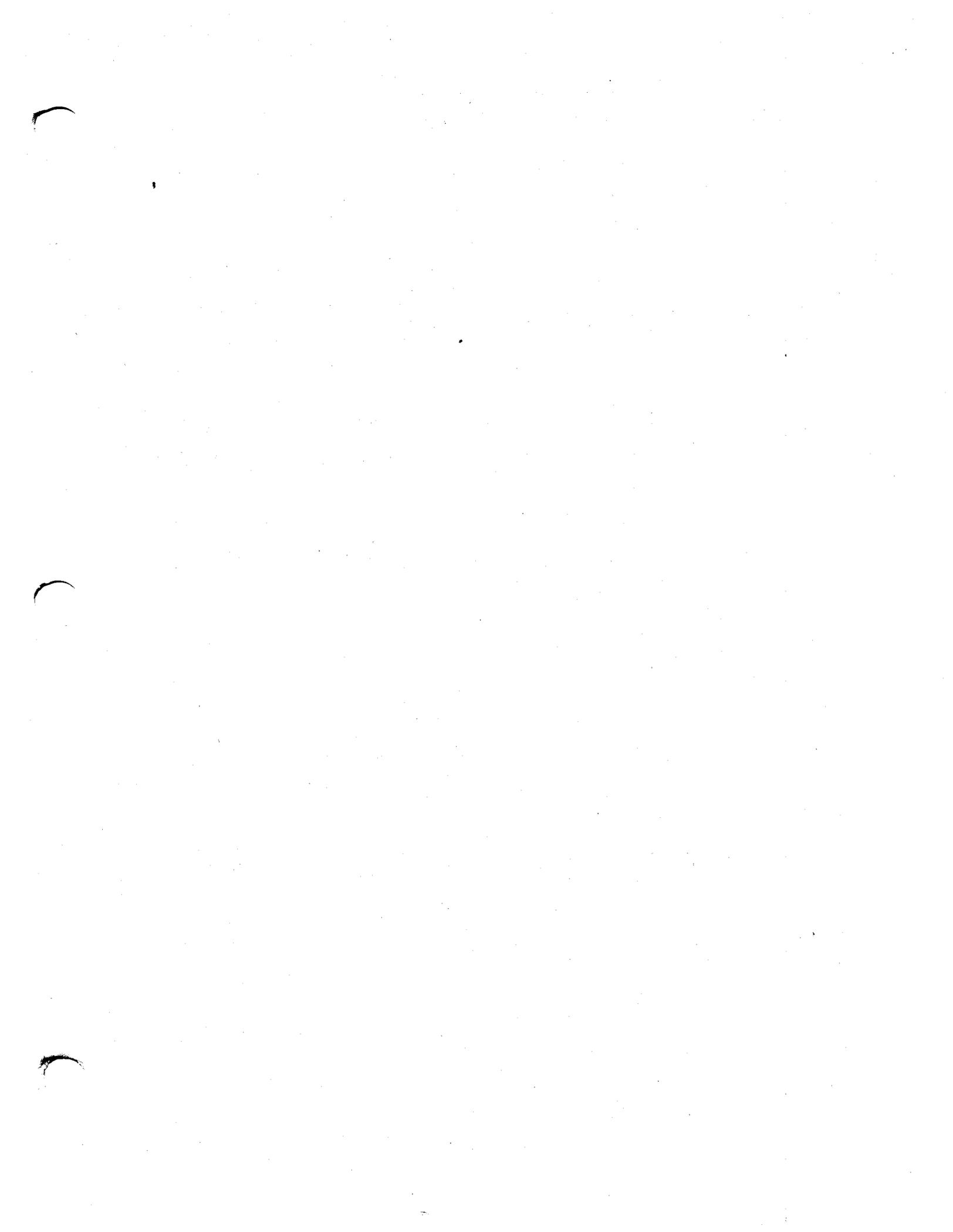
Pursuant to the Clean Air Act, the Administrator has the power to revoke this permit. Pursuant to the Clean Air Act, the Administrator also has the power to reissue this permit if the Administrator has determined that the Commissioner failed to act in a timely manner on a permit renewal application.

This permit may be modified, revoked, reopened, reissued, or suspended by the Commissioner, or the Administrator in accordance with RCSA 22a-174-33, Connecticut General Statutes Section 22a-174c, or subsection (d) of Section 22a-3a-5.

Z. CREDIBLE EVIDENCE [62 Federal Register 8314 (2/24/97), CAA §113(a) and §113(e), 40 CFR §§51.212(c), 52.12(c), 52.33(a), 61.12(e)]

Notwithstanding any other provision of this permit, for the purpose of submitting compliance certifications or establishing whether or not a permittee has violated or is in violation of any permit condition, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable permit terms if the permitted monitoring or testing had been performed.

Notwithstanding any other provision of this permit, for the purpose of determining compliance or establishing whether a permittee has violated or is in violation of any permit condition, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information.



Sewer Use Regulations

[Copy on File with Borough Clerk]



Wastewater Facilities Report

[Copy on File with Borough Engineer]



Wastewater Collection System Operation and Maintenance Manual

Borough of Naugatuck, CT
Water Pollution Control Board

July 1997

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**WASTEWATER COLLECTION SYSTEM
OPERATION AND MAINTENANCE MANUAL
BOROUGH OF NAUGATUCK, CONNECTICUT**

EXECUTIVE SUMMARY

This manual provides operation and maintenance guidance for the Borough of Naugatuck's sanitary sewer collection system. It is divided into the following sections:

Section 1 - Introduction

Section 2 - Interdepartmental Relations/Coordination

Section 3 - Safety/Training Issues

Section 4 - Collection System Operation and Maintenance: Overview, Maintenance, Mapping

Section 5 - Pump Station Operation and Maintenance

Section 6 - Emergency Response Procedures

Section 7 - Recordkeeping/Backups/Complaints

Much of this manual documents and enhances existing maintenance procedures currently being used. However, additional one-time recommendations have also been made. The intent of the manual format is to allow the body of text to remain unchanged, while tables at the end of each section are to be updated annually (or more often as needed), to reflect inspection or rehabilitation work which remains to be completed. Therefore, as one-time tasks are implemented, this Executive Summary should be modified accordingly.

Among the recommendations contained in this manual are:

1. The implementation of a safety training program and the purchase of confined Space Entry equipment.
2. Development of a more aggressive routine cleaning, TV inspection; and sewer rehabilitation program with annual budgets for each type of work.
3. An improved record keeping system for routine and emergency work.

4. An improved inventory of spare parts and emergency equipment and supplies.
5. Installation of a centralized alarm system for pump stations.

A general summary of the recommendations is presented below:

One Time Tasks		
<u>Task</u>	<u>Estimated Cost</u>	<u>Referenced Section</u>
Implementation of a Staff Training Program		Section 3
Purchase Confined Space Entry Equipment	\$7,000	Section 3
Install Telemetry System	\$50,000	Section 5
Purchase Spare Parts Inventory - Pump Stations	TBD	Section 5

Collection System - General Maintenance Procedures		
<u>Task</u>	<u>Estimated Annual Cost</u>	<u>Referenced Section</u>
Flush problem areas every 6 months	\$11,000	Section 4
Implement annual flushing program	\$9,000	Section 4
Annual TV inspection program	\$15,000	Section 4
Sewer Rehabilitation	\$100,000	Section 4
TOTAL	\$135,000	Section 4

Pump Stations- General Maintenance Procedures		
<u>Task</u>	<u>Estimated Annual Cost</u>	<u>Referenced Section</u>
Daily, Weekly, Semi-Annual and Annual Pump Station Checks	TBD	Section 5

SECTION 1 - INTRODUCTION

This manual establishes practices to inspect, maintain, and repair the sanitary collection system, including all pump stations, sewers, force mains, and siphons.

The goals of this manual are to:

- minimize public and employee health hazards and injuries
- minimize inconveniences and damages
- maximize the useful life and capacity of the collection system and its parts
- maximize efficient use of funds and investment in the collection system
- document preventative maintenance tasks and record keeping systems of equipment and repairs

SECTION 2 - INTERDEPARTMENTAL RELATIONS/COORDINATION

Contact with other public and private utilities is necessary to maintain and operate the sanitary sewer collection system. The following is a brief list of other Borough Departments which have various areas of responsibility towards the sewage collection and pumping system. Questions on issues listed below should be directed to the indicated Department.

<u>Topic</u>	<u>Responsible Department</u>
Sewer Backups/Complaints:	Naugatuck Street Department/WPCB
Grease Traps	TBD
New Sewer Extensions/Connections:	Naugatuck Engineering Department
Sewer Mapping/Record Documents:	Naugatuck Engineering Department
Sewer Stakeout/Locating	Naugatuck Street Department
Sewer Inspection/Rehabilitation	Naugatuck WPCB

A list of contacts for the above referenced Departments as well as other local utilities within the Borough is presented in Appendix A.

The Naugatuck wastewater treatment facility is located on Cherry Street in Naugatuck. Management of the day to day operations of the plant is performed through a contract with the Naugatuck Treatment Company. The contact name and telephone number is included in Appendix A.

Names and telephone numbers should be checked yearly to make sure that all information is accurate.

200 023 0000

SECTION 3 - SAFETY/TRAINING

During routine maintenance of the sewers and pump stations, safety issues can arise with which the maintenance crew must contend. Beyond such issues as electrical and mechanical hazards associated with operating pump station and maintenance equipment, members of the sewer maintenance crew are sometimes required to enter manholes, wet wells, and other "confined spaces" which require special precautions according to federal regulations. These regulations, promulgated under the Occupational Health and Safety Administration, CFR 1910.146, define "confined spaces" and outline requirements for safe entry into such areas.

The regulations require that safety equipment be used during entry into confined space areas in the system which have been identified according to the regulatory definition. Identified confined spaces include all manholes and wet wells of the system. In addition, entry also required training be provided by the employer to all members of the staff who will be associated with entry into the confined spaces of the system.

For this reason, all personnel entering confined spaces, including manholes, must have confined space entry training. All employees who could possibly enter confined spaces should receive this training as soon as possible. New employees to the Department should receive training prior to entering confined areas. It is recommended that the Department Superintendent be responsible for ensuring that training takes place as necessary for all personnel involved in sewer maintenance. All training should be documented for permanent record.

The Borough currently has none of the safety equipment required for confined space entry purposes. Therefore, the following equipment should be purchased:

56,000.00 in Fire Dept.

- tripod and harness for emergency removal of a worker from a manhole or other space;
- a portable meter for detecting hydrogen sulfide oxygen levels, combustible gases and carbon monoxide;
- a blower to be installed at manholes to provide fresh air to the occupant
- air packs for use during painting and other tasks in confined areas.

Other equipment required includes steel toed boots, and miscellaneous eye, face and hearing protection. All equipment for confined space entry must be inspected annually.

The procedure of a confined space entry must also comply with OSHA regulations. This includes completion of permit forms whenever it is necessary to enter a confined space. This permit must identify the specific confined space, reason for entry, anticipated hazards, protective measures to be used, and results of air monitoring. In addition, all authorized entrants and attendants must be listed on the permit, and the specific date of entry and duration of the permit must be clearly indicated. The permit is canceled by the Supervisor when the entry work is completed, or when conditions become unacceptable for entry purposes. All permit forms must be permanently filed by the Borough as part of its overall confined space entry plan.

More information on confined space entry and a sample permit is included in Appendix B.

In addition to confined space entry, members of the Street Department are also required to assist in the excavation of a sewer line for emergency and/or routine repairs. When this excavation takes place, trenching and excavation protection must include safe operation sheet piling (i.e., trench box) in compliance with OSHA requirements. When excavation in roadways takes place, maintenance and protection of traffic including the use of cones, construction signs, barricades, and flashers should be performed in accordance with the Borough of Naugatuck Police Requirements.

Employees should also be trained in biological hazards associated with contact with wastewater. Many steps can be taken to avoid these hazards: washing of hands, wearing gloves when working in contact with sewage, eye protection, and wearing protective clothing. At this time, there are no state mandated immunizations required for wastewater maintenance and treatment personnel, however the following immunization and immunoglobulins are recommended: diphtheria, influenza, hepatitis A and B, paratyphoid, tetanus, typhoid.

Those employees involved in chemical root treatment of sewers should also receive training in proper storage and handling of chemicals. Material Safety Data Sheets (MSDSs) for any chemicals used should be available to all employees for review.

Employee records should show dates of initial training, topic, and any subsequent training updates received.

A summary of safety and training requirements is presented below in Table 3-1.

<p style="text-align: center;">TABLE 3-1 SUMMARY OF SAFETY/TRAINING REQUIREMENTS</p>		
Employees/Task	Suggested Training	Recordkeeping Requirements
All Employees	<u>General Overview:</u> Biological Hazards of Wastewater Trench Safety Traffic Control	Record date of initial training in employee record
Confined space entry: sewer/pump station maintenance	<u>Confined Space Entry</u> Initial course and yearly updates as required	Record all training in employee record. Confined Space Entry Permit required for each entry
Sewer Maintenance: Root Treatment	Proper Storage and Handling of Chemicals (for Root Control)	Record date of initial training in employee record

Note: Superintendent to assume overall responsibility for implementation of training program

SECTION 4 - COLLECTION SYSTEM MAINTENANCE AND MANAGEMENT

4.1 COLLECTION SYSTEM - GENERAL OVERVIEW

The Borough of Naugatuck's sanitary sewer collection system was initially constructed in _____, with extensions being added in _____ and _____. Information on the ages and pipe material for all lines is incomplete. The sewer system serves predominately residences and commercial properties. The only significant industry connected to the collection system is Uniroyal Chemical Company, connected on Cherry Street just upstream of the Naugatuck Wastewater Treatment Facility. *eng 1700*

The sewer system consists of approximately 358,000 linear feet of gravity sewer main. An approximate breakdown of the sanitary sewers by pipe diameter is presented below: *RIS do - ✓*
Debra O'Neil

- 107,330 linear feet of 6-inch diameter sewer pipe
- 180,790 linear feet of 8-inch diameter sewer pipe
- 16,300 linear feet of 10-inch diameter sewer pipe
- 14,060 linear feet of 12-inch diameter sewer pipe
- 2,030 linear feet of 15-inch diameter sewer pipe
- 1,990 linear feet of 16-inch diameter sewer pipe
- 4,620 linear feet of 18-inch diameter sewer pipe
- 5,920 linear feet of 20-inch diameter sewer pipe
- 2,810 linear feet of 21-inch diameter sewer pipe
- 8,740 linear feet of 24-inch diameter sewer pipe
- 130 linear feet of 30-inch diameter sewer pipe
- 6,300 linear feet of 36-inch diameter sewer pipe
- 6,980 linear feet of unknown diameter sewer pipe

The collection system also includes four siphons which are located at the intersection of Prospect Street and North Main Street; Sheffield Lane; Elm Street and the Cherry Street/Elm Street easement. Five small pump stations are also used to transmit the wastewater to the treatment facility. Information on pump station operation and maintenance is presented in Section 5.

4.2 COLLECTION SYSTEM - MAINTENANCE

A. General

Sanitary sewers are typically designed to allow sewage to flow at a high enough velocity that will prevent buildups within the sewer pipe. However, flat slopes or low flows can increase the possibility of backups. Therefore, preventive maintenance of the sewer system includes periodic cleaning of problem sections. Inspection and rehabilitation should be also performed on an ongoing basis to insure the structural integrity of the pipes.

The Naugatuck WPCB is responsible for overseeing the inspection and rehabilitation portions of the sewer system.

B. Cleaning

Routine cleaning of sanitary sewer lines will help reduce the buildup of grease and solids in the lines and lessen the chances for backups. Sewer cleaning can be performed by hydraulic, mechanical, or chemical means.. Hydraulic cleaning via a flushing truck or similar device is capable of removing most solid depositions such as sand and/or sludge, and is the primary method used for the cleaning of sanitary sewers. Mechanical cleaning involves the use of a rodding machine or other similar type of cutting device, and should be used to remove hardened deposits such as grease, or to cut out roots which have intruded into the sanitary sewer system.

The Street Department's vactor truck is capable of performing hydraulic cleaning as described above. These services are also available through a number of outside contractors.

C. Chemical Treatment:

Root intrusion can be severe enough to cause blockages in the sewer if left untreated. While roots can be removed from pipe joints by mechanical cutting, roots have a tendency to grow back at a faster rate once the cutting is completed. Chemical treatment should therefore be used on a periodic basis to control further root growth. This process is very effective at controlling roots, and can be easily done by Borough forces or an outside contractor. Application frequencies depend upon the specific product being used.

Table 1 lists problem areas which have been defined by Borough personnel. Cleaning should be done in these areas every 6 months. The total length of all sections is approximately 9,000 LF. If these sections were flushed through the use of an outside firm, the total estimated cost would be \$5,500 each 6 months, or \$11,000 annually.

Those lines indicated with an asterisk are also recommended to receive chemical treatment to control root intrusion. The frequency of application will depend upon the specific product, but every two years is recommended.

Remain on

TABLE 4-1
LINES TO BE FLUSHED EVERY SIX MONTHS

STREET	LENGTH (APPROX.)	CHEMICAL TREATMENT
• Intersection of Picture Lane and Carolyn Circle	500	*
• Stanley Street near House #26 at the corner of road ✓	200	*
• North Main Street near Bosco Glass ✓	200	
• Coen Street at the first manhole ✓	200	
• Central Avenue at Central Avenue School ✓	200	*
• Intersection of Ramsey Street and David Street	200	*
• North Main Street near Foleys and Sodloskys	400	
• Intersection of Morris Street and Albion Street	450	
• Intersection of Lewis Circle and Spencer Street ✓	200	*
• Intersection of Elm Street and Ward Street ✓	400	*
• Elm Street near bridge (siphon)	400	*
• Ward Street near #118 (manhole) and #131 ✓	600	*
• Cherry Street near #264 and Cherry Street up to Charles Street ✓	600	*
• Charles Street up to Ann Street ✓	500	*
• Sweeney Street in the back yard of #20 ✓		
• South Circle ✓	200	*
• Melbourne Court in Yard ✓	400	*

NO job done 15 yrs.

*NO job 5 yrs
new line
NO job 10 yrs*

re: done

TABLE 4-1 (Continued)

STREET	LENGTH (APPROX.)	
• North Hoadley Street at #265 and #295 <i>NEW LINE</i>	200	*
• Phyllis Drive at #121 <i>NEW LINE</i>	100	
• Intersection of Hoadley Terrace and Pearl Road <i>NO JOB CASE 10 yrs</i>	200	
• Scott Street in front of Doback's <i>NO JOB CASE</i>	100	*
• Intersection of Surrey Drive and North Hoadley Street <i>NEW PIPE</i>	300	
• Damson Lane at #43 and #64 ✓	400	*
• Terrace Avenue at manhole that goes through woods ✓	500	*
• Sheffield Lane at Fairview Lane ✓	200	*
• Lewis Street going downstream to Nixon Avenue ✓	200	*
• Intersection of May Avenue and Chestnut Street ✓	725	
• Harlow Court	250	
• Spencer Street at Lewis Street ✓	300	*

Adv Meadow St Division to 3000

In addition to the problematic areas listed above, efforts should be made to flush the remaining areas of the system on an alternating basis. The extent of flushing will be dependent upon the budget monies available, however, the Borough should strive to create a program in which an additional \$9,000 is allocated annually towards the flushing of sanitary sewers. (Total cost: \$20,000/year). The WPCB will be responsible for determining the extent and locations of additional cleaning to be done each year. Cleaning should be performed through two programs/contracts spaced six months apart.

By performing work in a consistent, planned manner the overall flow characteristics of the entire system will be enhanced, and the number of backups and emergency calls should be significantly reduced.

Records should be kept of all cleaning operations. This should include the date of work, equipment and personnel used, and conditions found within the system. A sample log is included in Appendix C. Records should be filed with the WPCB for reference as needed.

If significant amounts of dirt, grease, roots, or other material are removed from a sewer section during routine cleaning, this fact should be noted on the cleaning log. Logs should be reviewed by the WPCB at the conclusion of each cleaning contract. Any section in which significant cleaning is required should be scheduled for recleaning on a more frequent basis, or the underlying cause should be determined and if possible, eliminated.

D. Inspections

Sewer inspection should include both televising the sewer lines and visual inspection of manholes throughout the system. Television inspection records the structural condition of the sanitary sewer, as well as the presence of any debris, roots or grease. This information can be used to determine if the inspected sewer requires structural rehabilitation, cleaning on a more frequent basis, or if further investigation should be made to determine source(s) of grease and/or infiltration and inflow. Inspecting the interior of sewer manholes is a quick method of insuring that the sewer line is flowing freely without blockages. This type of inspection is especially important for sewer siphons, which cannot be easily inspected with a television camera

A large amount of sanitary sewer television inspection was performed as part of the 1996/1997 sewer rehabilitation program. The initial inspection contract documented the condition of approximately 90,000 LF of sanitary sewers. Subsequent recommendations were made for sewer rehabilitation based upon the findings of this inspection.

Television inspection should continue to be scheduled by the WPCB on an annual basis until the entire collection system has been inspected. The specific amount of work to be done each year is dependent upon budget allowances, but an initial allocation of \$10,000 - \$15,000 is suggested. Television inspection can be done concurrently with the flushing work by an outside contractor through a bidding or long term contract basis.

The locations of annual TV inspection work should be focused in areas of suspected problems (i.e. backups, odor complaints) as a first priority. Therefore, the WPCB should consult with the Borough Engineer and Street Department prior to performing the work. *- Table G-5 - 4/7/97
RJM. letter*

Once problem areas have been identified, selection of streets should then be made starting at the downstream end of a particular area, and an attempt should be made to focus within a specific area each year to more easily insure inspection of the entire system.

To help long term planning and ease coordination, it is recommended that sewers be identified 2 - 3 years in advance for upcoming inspection work.

All videotape recordings and logs should be placed on file in the Borough Engineer's office for easy access. A master file should be created and kept with the TV logs indicating the street, size of pipe, year inspected, and reference tape number. This will allow TV tapes to be easily retrieved for future reference when needed. A listing of the lines completed in the 1996/97 TV inspection contract is attached in Appendix D.

Once the television work is completed, the logs should be reviewed to determine if further rehabilitation is required. The list of recommended rehabilitation work should be updated at the conclusion of the TV tape review.

E. Additional Inspections

Manholes should be inspected at all siphons and in areas of known problems (see Table 1) a minimum of once a year. This can be most efficiently accomplished if combined with flushing work (if the flushing work is done by Borough forces). Similarly, manhole inspections should be performed concurrent with TV inspection work. Additional inspections can be performed by maintenance crews as time permits in their daily schedules. A sample manhole inspection log is included in Appendix C. All logs should be submitted to the WPCB. Where rehabilitation is determined to be warranted, the manhole(s) should be added to the list at the end of this section.

F. Sewer Rehabilitation

Sewer rehabilitation should be performed on a regular basis as reaches of sewer deteriorate. There are numerous forms of sewer rehabilitation which can be used. The chosen method depends upon the specific defect and cost of the repair. Minor structural deterioration, such as cracking of pipe, may be repaired by sewer liners which do not require excavation. More extensive structural deterioration, such as broken pipe, poor grade, or significantly offset joints may require full replacement. If only a portion of sewer has extensive damage, a spot repair can be performed on that section of sewer pipe with or without excavation, depending upon the type of defect. Rebuilding or replacement of manholes will be determined by field inspections.

An extensive amount of sewer rehabilitation is anticipated to be completed in 1997 as part of the two-year program funded by the Connecticut DEP. The specific rehabilitation work was based upon the

results of the 1996 television inspection program. Additional areas will most likely be developed as a result of ongoing television inspection work.

As areas are inspected, some rehabilitation work may have to be performed on an emergency basis if significantly bad defects are discovered. The remaining recommendations should be prioritized in terms of the significance of the discovered problems versus impacts on the operability of the line.

L did this in 1997

In general costs savings are realized when larger-sized rehabilitation contracts are utilized. In addition, it is also less expensive when single contracts are put together based upon a specific type of rehabilitation (i.e. replacement, lining, etc). Therefore, the Borough should attempt to group contracts together, and perform the work when the cost of the work becomes large enough to realize a cost savings.

Coordination should be made with the street department if any street improvements such as reconstruction or pavement replacement is being performed. Existing sewer videotapes should be reviewed to determine if there are problems which should be corrected prior to the street work, to avoid excavation in the near future. In some cases, it may be more economical to perform repairs or replacements of sewer lines and manholes in conjunction with street work. At a minimum, sanitary sewer manhole frames and covers which are in poor condition should be replaced as a standard operation during any street rehabilitation or reconstruction work.

Tables listing rehabilitation work recommended to date are presented at the end of this section. These tables should be updated annually so that the list of outstanding work remains complete.

The specific amount of work to be completed each year will depend upon budgetary requirements. However, it is very important that rehabilitation work take place, to insure the operability of the system and prevent future backups. For the purposes of this manual, a goal of \$100,000 per year has been established.

G. Siphons

The Borough currently has four siphons in their system: Sheffield Lane, North Main Street, Elm Street, and the easement between Cherry Street and Elm Street.

If designed properly, siphons should not require any maintenance other than that required by a typical gravity line. No other maintenance other than checking the manholes on a yearly basis and including the lines in with the sewer flushing program is recommended at this time.

4.3 COLLECTION SYSTEM - MAPPING

Sewer maps should always reflect the existing conditions within the collection system. They should therefore be updated any time that sewer extensions or new connections are made. Areas of rehabilitation or replacement should also be indicated on the mapping at the completion of the project.

Maps of the overall collection system were originally created in 1991 as part of a system-wide infiltration/inflow study. These maps, consisting of 16 separate plates, were updated as part of the creation of this manual to represent current conditions in the system. In addition to adding/changing specific sewer sections, numbers were assigned to all manholes in the system. Reproducible mylars of the maps are kept in the Borough Engineer's office.

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are
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Whenever sewer extensions or rehabilitation work is performed, the Engineering Department should be given copies of the record drawings from the contract, so that the appropriate changes can be made to the master set of sewer maps. New sets of maps should be created annually for field crews to insure that all personnel have the most recent copies.

4.4 SUMMARY

A general summary of recommended collection system maintenance is presented in Table 4-2 below:

**TABLE 4-2
RECOMMENDED COLLECTION SYSTEM MAINTENANCE**

Task	Frequency	Estimated Annual Cost
Flush problem areas	Every 6 months	\$11,000
Additional Sewer Flushing: Sections to be determined	Annually	\$9,000
Television Inspection Selections to be determined	Annually	\$15,000

TABLE 4-2 (Continued)		
Task	Frequency	Estimated Annual Cost
Manhole Inspections: Siphons and Problem Areas	Every 6 months	\$0 (done concurrent with flushing work)
Manhole Inspections: Television Inspection	Annually	\$0 (done concurrent with flushing work)
Sewer Rehabilitation	Annually	As funds permit - Goal of \$100,000 per year
TOTAL ANNUAL COST:		\$135,000

**TABLE 4-3
SEWER LINES TO BE INSPECTED: 1998 - 2000**

1998:

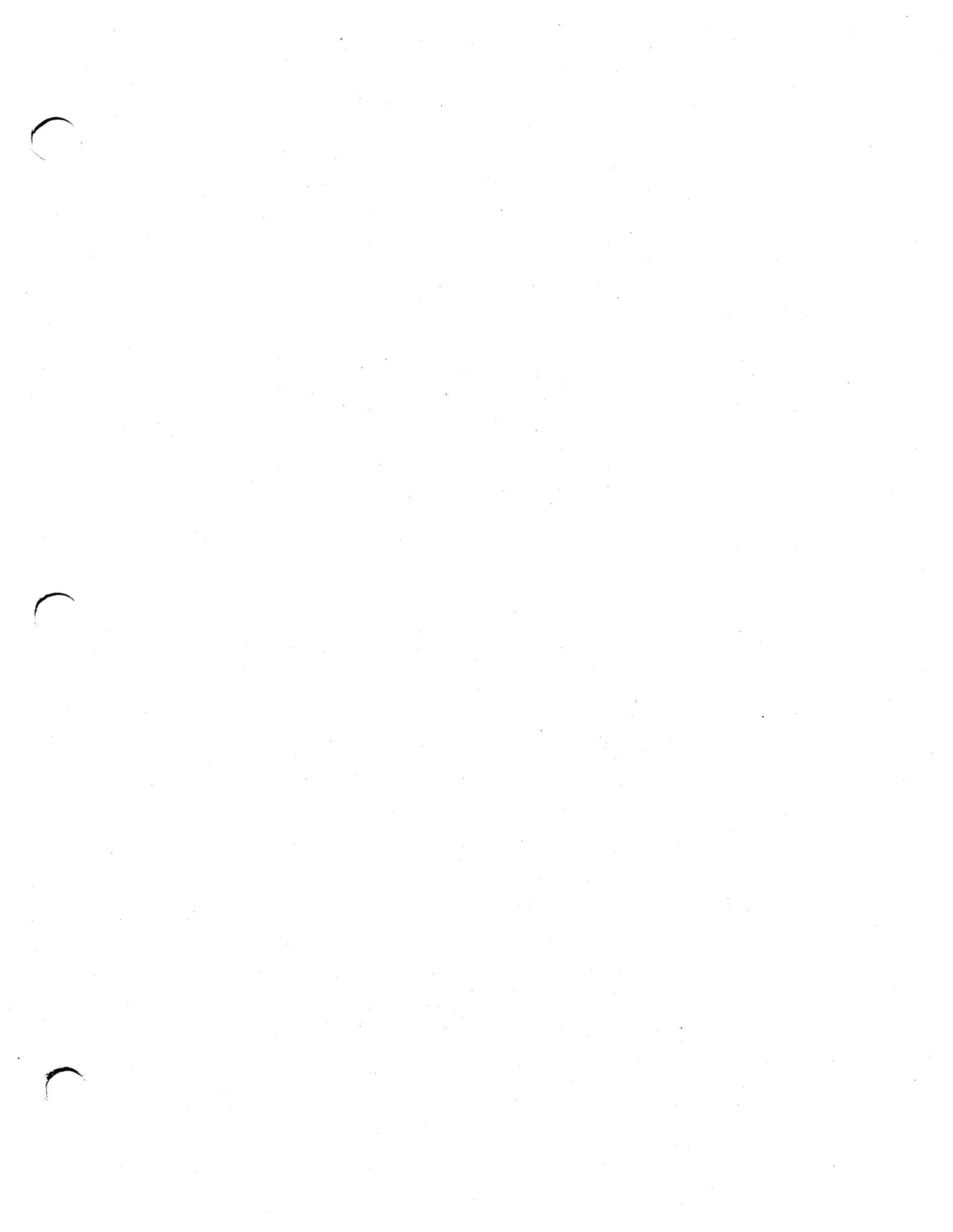
Street	Sections	Length
TBD		

1999:

Street	Sections	Length
TBD		

2000:

Street	Sections	Length
TBD		



DISCHARGE AND ACCESS AGREEMENT

The Borough of Naugatuck ("Naugatuck") and Crompton Manufacturing Company, Inc. ("CMCI"), on behalf of themselves and their respective successors and assigns, hereby agree as follows:

1. Except as otherwise expressly provided herein, this Agreement shall be effective as of the date of execution by both parties and shall remain in effect until November 7, 2021.

2. This Agreement shall govern the rights and obligations of the parties relative to (a) conveyance, acceptance, treatment and disposal of wastewater and sludge from CMCI's property at 280 Elm Street in Naugatuck, Connecticut, and 32 Spencer Street, Naugatuck, Connecticut (including but not limited to flow from 22 Spencer Street, Naugatuck, Connecticut) (the CMCI Property) to the Naugatuck publicly owned treatment works at 500 Cherry Street in Naugatuck (Naugatuck POTW), and (b) access across the CMCI Property to the premises of the Naugatuck POTW.

3. Treatment of Wastewater and Sludge from the CMCI Property.

a. Naugatuck authorizes current and future discharges of wastewater (Wastewater Discharges) and sludge (Sludge Discharges) to the Naugatuck POTW from the CMCI Property, including but not limited to those enumerated below (collectively, Discharges). Naugatuck shall impose no requirements or conditions on those discharges in addition to or different than those imposed by any applicable permit or approval issued by CT DEP or any other federal or state environmental regulatory authority. This authorization shall survive the expiration of the term of this Agreement, and shall remain effective, without any requirement of further or specific authorization or limitation pursuant to any Naugatuck ordinance. As of the date of this Agreement, CMCI's discharges include:

- i. combined effluent wastewater discharge, which includes wastewater discharge from CMCI's pretreatment plant (potentially including discharges from tenants on the CMCI Property) and from its synthetic lift station, pursuant to Pretreatment Permit No. SP0000065 (dated January 30, 2001);
- ii. sludge discharge from CMCI's pretreatment plant pursuant to Pretreatment Permit No. SP0000065 (dated January 30, 2001); and
- iii. groundwater discharge to CMCI's pretreatment plant pursuant to Emergency Authorization No. EA 0000122 (May 30, 2000), as amended.

b. Except as otherwise provided in this Agreement, the Settlement and Transition Agreement and Release executed simultaneously herewith, and the exhibits thereto, the parties retain all rights and remedies available to them under statutory and common law, including without limitation any such rights and remedies as may be available to them from time to time with respect to permit proceedings before the Connecticut Department of Environmental Protection.

c. Naugatuck shall accept at the Naugatuck POTW, and shall cause any third-party operator of the Naugatuck POTW to accept, for conveyance, treatment and disposal, all Wastewater Discharges from the CMCI Property. With respect to conveyance, acceptance, treatment and disposal of such Wastewater Discharges:

- i. Except as provided in subsections 3.c.iii. and 3.c.iv. below, there shall be no charge to CMCI unless Naugatuck implements industrial user charges applicable to, and in fact applied to, all sewer dischargers of industrial wastewater; provided, however, that any charges to CMCI shall be equivalent to, and effective only from the date of, those generally imposed, now or in the future, on all dischargers of pretreated industrial wastewater to the Naugatuck sewer system; and provided further, that any such generally applicable industrial user charges shall, if applied to CMCI, be in lieu of all other charges to CMCI in connection with the Wastewater Discharges, including without limitation charges that could otherwise be imposed pursuant to paragraphs 3.c.iii. and 3.c.iv. below.
- ii. Naugatuck authorizes CMCI to convey the Wastewater Discharges to the Naugatuck POTW by any lawful means, including but not limited to the existing means of conveying the Wastewater Discharges through a dedicated line. At its sole cost and expense, CMCI shall maintain and repair or replace any dedicated line or other means of conveyance up to the property line of the CMCI property. Naugatuck's agreement to convey, accept, treat and dispose of the Wastewater Discharges is not conditioned on any particular means of conveying them to the Naugatuck POTW.
- iii. The parties contemplate that the volume of Wastewater Discharges shall remain approximately equivalent to, or less than, 292,000,000 gallons annually (the Base Level), as measured on a calendar year basis. For this purpose, "calendar year" for the year in which this Agreement is executed shall include the entire calendar year 2001, and "calendar year" for 2021 or any other partial year in which this Agreement terminates shall include the 365 days next preceding the termination date. For purposes of this Agreement, the volume of Wastewater Discharges shall be that measured by CMCI and reported on its Discharge Monitoring Reports.
 - A. If the volume of Wastewater Discharges in any calendar year exceeds 120% of the Base Level, then for any volume of Wastewater Discharges that exceeds 120% of the Base Level, CMCI shall pay to Naugatuck a fee calculated in the same manner as any charges to Naugatuck for excess municipal wastewater flow under Naugatuck's agreement with the operator of the POTW; provided, however, that if Naugatuck itself operates the POTW, if the then-effective agreement between Naugatuck and any operator of the POTW does not provide for such charges, if Naugatuck itself is not being charged under such agreement, or if Naugatuck has imposed generally applicable industrial user charges on CMCI as provided in paragraph 3.c.i. above, then there shall be no charges to CMCI pursuant to this paragraph 3.c.iii.A.

- B. If the volume of Wastewater Discharges in any calendar year is reduced below 80% of the Base Level, Naugatuck shall pay to CMCI an amount calculated in the same manner as the calculation of credits to Naugatuck, under its agreement with the operator of the POTW, for reduction of Naugatuck's volume; provided, however, that if Naugatuck itself operates the POTW, if the then-effective agreement between Naugatuck and any operator of the POTW does not provide for such credits, or if Naugatuck itself is not receiving credits under such agreement, then there shall be no payments to CMCI pursuant to this paragraph 3.c.iii.B.
- iv. The parties contemplate that the loadings of total suspended solids (TSS) and biological oxygen demand (BOD) shall remain approximately equivalent to 200,000 pounds TSS annually (the TSS Base Level) and 500,000 pounds BOD annually (the BOD Base Level). For purposes of this paragraph 3.c.iv., "calendar year" shall have the same meaning for the initial and final years of this Agreement as set forth in paragraph C.3.iii. above.
 - A. If the TSS or BOD loadings of Wastewater Discharges exceed 120% of the TSS Base Level or the BOD Base Level respectively in any calendar year, then for any TSS or BOD loadings that exceed 120% of the TSS Base Level or the BOD Base Level respectively, CMCI shall pay to Naugatuck a fee calculated in the same manner as the calculation of charges to Naugatuck, under its agreement with the operator of the POTW, for excess municipal loadings of TSS or BOD; provided, however, that if Naugatuck itself operates the POTW, if the then-effective agreement between Naugatuck and any operator of the POTW does not provide for such charges, if Naugatuck itself is not being charged under such agreement, or if Naugatuck has imposed generally applicable industrial user charges on CMCI as provided in paragraph 3.c.i. above, then there shall be no charges to CMCI pursuant to this paragraph 3.c.iv.A.
 - B. If the loadings of TSS or BOD in CMCI's Wastewater Discharges are less than 80% of the TSS Base Level or the BOD Base Level respectively, then for any reductions in loadings below 80% of the TSS Base Level or the BOD base level respectively, Naugatuck shall pay to CMCI a fee calculated in the same manner as the calculation of credits to Naugatuck, under its agreement with the operator of the POTW, for reduction of municipal loadings of TSS or BOD; provided, however, that if Naugatuck itself operates the POTW, if the then-effective agreement between Naugatuck and any operator of the POTW does not provide for such credits, or if Naugatuck itself is not receiving credits under such agreement, then there shall be no payments to CMCI pursuant to this paragraph 3.c.iv.B.
 - d. Naugatuck shall accept at the Naugatuck POTW, and shall cause any third-party operator of the Naugatuck POTW to accept, for treatment and disposal, all Sludge Discharges from

the CMCI Property. With respect to acceptance, treatment and disposal of such Sludge Discharges:

- i. From the effective date until November 6, 2006, CMCI shall have the right to discharge and the Borough shall accept up to an average of two (2) dry tons of sludge per day at no charge to CMCI. For purposes of this provision, the average daily volume of sludge shall be determined annually, at the end of each calendar year, as a 365-day average. For purposes of this paragraph 3.d.i., "calendar year" shall have the same meaning for the initial and final years of this Agreement as set forth in paragraph C.3.iii. above. CMCI will use reasonable efforts to avoid significant variations in the rate of sludge discharge. In the event that CMCI voluntarily relinquishes its right to discharge up to an average of two (2) dry tons per day of sludge, in whole or part, and gives Naugatuck written notice of its decision to do so, Naugatuck can utilize the capacity thus made available as it deems appropriate. In the event that CMCI discharges more than an average of two (2) dry tons per day of sludge during the period up to November 6, 2006, CMCI shall pay for said sludge disposal. Such payments shall be based upon fair market rates to be negotiated between CMCI and the operator, or if Naugatuck itself is operating the POTW, between CMCI and Naugatuck.
- ii. During the final fifteen years of this Agreement, CMCI shall have the right to discharge and the Borough shall accept up to an average of 1/2 dry ton per day of sludge at no charge to CMCI. For purposes of this provision, the average daily volume of sludge shall be determined annually, at the end of each calendar year, as a 365-day average. For purposes of this paragraph 3.d.ii., "calendar year" shall have the same meaning for the initial and final years of this Agreement as set forth in paragraph C.3.iii. above. CMCI will use reasonable efforts to avoid significant variations in the rate of sludge discharge. In the event that CMCI voluntarily relinquishes its right to discharge an average of up to 1/2 dry ton per day of sludge, in whole or part, and gives Naugatuck written notice of its decision to do so, Naugatuck can utilize the capacity thus made available as it deems appropriate. In the event that CMCI discharges more than an average of 1/2 dry ton per day of sludge in any calendar year during the final fifteen years of this agreement, CMCI shall pay for said sludge disposal. Such payments shall be based upon fair market rates to be negotiated between CMCI and the operator, or if Naugatuck itself is operating the POTW, between CMCI and Naugatuck.
- iii. Naugatuck authorizes CMCI to convey the Sludge Discharges to the Naugatuck POTW by any lawful means, including but not limited to the existing means of conveying the Sludge Discharges through a dedicated line. At its sole cost and expense, CMCI shall maintain and repair or replace any dedicated line or other means of conveyance up to the property line of the CMCI Property. Naugatuck's agreement to convey, accept, treat and dispose of the Sludge Discharges is not conditioned on any particular means of conveying them to the Naugatuck POTW.

4. License for Access Across CMCI Property

Subject to the provisions of subparagraphs 4.a. through 4.h. below, CMCI grants Naugatuck a license for trucks to pass and repass across the CMCI Property for the term of this Agreement for the purpose of hauling waste to the Naugatuck POTW through the CMCI Property, and, insofar as access other than through the CMCI Property is impractical, for the purpose of moving equipment, parts and materials to the Naugatuck POTW in connection with construction or major maintenance activities. Except as expressly provided herein, Naugatuck's rights under this section 4 are nonassignable and its obligations are nondelegable.

a. Such license extends to passage along the existing route via the south Elm Street entrance through the CMCI Property, as shown in the diagram appended hereto as Exhibit 1. In the event that CMCI elects to discontinue use of the existing route for such truck access, CMCI will make an alternative route available in the area depicted in Exhibit 1 hereto or in another location acceptable to CMCI. The Borough shall bear all costs of using, maintaining, constructing and/or improving the existing route, or any alternative route made available in the future, in order to make and keep it usable for purposes of this license, including without limitation costs of procuring any permits or approvals required by any public authority to allow such use to be made of the CMCI Property.

b. Naugatuck shall defend CMCI, indemnify CMCI and hold CMCI harmless against any and all claims by or liabilities to third parties, whether for personal injury, property damage, wrongful death, pollution damage or economic loss, that in any way arise out of or relate to the license or use of it by any person, including claims relating to events that occur off the CMCI Property. CMCI must consent to defense counsel provided by Naugatuck. Independent of its defense and indemnity obligations, Naugatuck shall also maintain in effect a policy of general liability insurance covering defense and indemnity of such claims with a limit of liability of not less than \$5,000,000. Naugatuck shall cause CMCI to be named as an additional named insured under such policy, and shall provide CMCI with a certificate of insurance to that effect. Naugatuck shall give CMCI notice forthwith of any change in the status of its coverage or of the certificate of insurance issued to CMCI as additional named insured.

c. Naugatuck shall indemnify CMCI and hold CMCI harmless against any losses, damages or injuries to CMCI, its property, personnel, plant, equipment or business, that in any way arise out of or relate to the license or use of it by any person. Independent of its indemnity obligations, Naugatuck shall also maintain in effect a policy of insurance covering such claims with a limit of liability of not less than \$5,000,000. Naugatuck shall cause CMCI to be named as an additional named insured under such policy, and shall provide CMCI with a certificate of insurance to that effect. Naugatuck shall give CMCI notice forthwith of any change in the status of its coverage or of the certificate of insurance issued to CMCI as additional named insured.

d. The parties intend that, in accordance with the terms and procedures defined in this Agreement, Naugatuck as licensee may grant sublicenses to third parties to haul waste to the Naugatuck POTW, and under other circumstances for other purposes, as set forth above; provided, however, that the parties intend any use of the CMCI Property by such sublicensees to be for their own benefit and do not intend to confer any direct or indirect benefit on, or otherwise create any rights enforceable by, any such sublicensees. CMCI shall have the right to set reasonable conditions

for such use, including without limitation requiring such sublicensees to comply with "Rules for Vehicle Operators and Owners" attached hereto as Exhibit 2. Such rules shall be terms of the license and of each and every sublicense granted by Naugatuck pursuant to this Agreement. In its sole discretion, CMCI may change the conditions reflected in Exhibit 2 only to the extent reasonably necessary to protect persons, property and the environment and to assure safe use of the license. The procedures set forth in Exhibit 3 hereto are also terms of the license granted to Naugatuck and of each and every sublicense granted by Naugatuck pursuant to this Agreement. It shall further be a term of such license that CMCI shall also have the right to require that supervision of access, including but not limited to the availability of an escort to accompany vehicles and open the gate for them, shall be provided by Naugatuck or by the operator of the POTW, upon request of CMCI. Without limiting the generality of the foregoing:

- i. The use of the CMCI Property for access to the Naugatuck POTW pursuant to any sublicense granted by Naugatuck is conditioned on compliance by the sublicensee with all applicable federal, state and local laws, regulations or other requirements, including but not limited to those applicable to the carriage of materials hauled by such third parties to the Naugatuck POTW, to such materials themselves, or to any and all other aspects of the handling of such materials.
 - ii. Notwithstanding any provision of this Agreement, CMCI may give notice to Naugatuck whenever CMCI in its sole judgment, exercised in good faith, deems any sublicensee to be in violation of rules or conditions imposed by CMCI or of any requirements of any applicable federal, state or local laws, regulations or other requirements. Any such decision by CMCI shall be final and not subject to review or appeal. Upon receipt of such notice, Naugatuck shall revoke the sublicense granted to such person. If Naugatuck fails to provide CMCI with written confirmation of such revocation within three business days, CMCI may deny such sublicensee access to the CMCI Property.
- e. Naugatuck's failure to perform its obligations under subparagraphs 4.b. or 4.c. above shall render the license created hereby voidable, permanently or temporarily, at CMCI's option, upon notice to Naugatuck; provided, however, that with respect to any default in fulfilling the obligations of subparagraphs 4.b. and 4.c. concerning the maintenance of insurance coverage, Naugatuck shall have fifteen days from the occurrence of such default to cure the same, and to provide CMCI with written confirmation that it has done so.
- f. In the event that Naugatuck imposes any generally applicable industrial sewer user charge on CMCI for treatment of the Wastewater Discharges pursuant to subparagraph 3.c.i. above, or for treatment of the Sludge Discharges other than as provided in subparagraph 3.d. above, this Paragraph 4 shall be of no further force and effect, and the terms of access across the CMCI Property, including whether such access shall be provided at all, shall be subject to negotiation; provided, however, that any claims that arise out of or relate to the use of this license shall remain subject to the defense and indemnity obligations of subparagraphs 4.b. and 4.c.

g. In the event that the license or any sublicense granted in accordance with the terms of this paragraph is suspended or terminated, either in its entirety or as to any specific sublicensee, CMCI shall give notice of such suspension or termination to Naugatuck. Naugatuck shall as soon as practicable thereafter provide written notice of such suspension or termination to any affected sublicensee or sublicensees, as applicable. Naugatuck shall defend and indemnify CMCI, as provided in subparagraphs 4.b. and 4.c. above, against any claims against CMCI by any person that arise out of or relate to such suspension or termination.

h. The parties expressly agree that nothing in this Agreement constitutes or shall be interpreted as creating an easement or any other permanent rights of any kind respecting access across the CMCI Property. Without limiting the generality of the foregoing, Naugatuck expressly disclaims any intent that this Agreement, or any use of the CMCI Property pursuant to it, shall create or be interpreted as creating an easement or any other permanent rights of any kind. Naugatuck hereby knowingly relinquishes any claim that this Agreement, or any use of the CMCI Property pursuant to it, or any similar use by any other person or persons at any time up to the date of this Agreement, gives rise or has given rise to an easement or to any other permanent rights of any kind. Naugatuck hereby stipulates that by virtue of its agreements herein, it is and shall be estopped from claiming, at any time and for any purpose, that this Agreement, or any use of the CMCI Property pursuant to it, gives rise to an easement or to any other permanent rights of any kind, in favor of Naugatuck or any third person or persons. Naugatuck further acknowledges receipt of a notice pursuant to Connecticut General Statutes § 47-38, a copy of which is attached hereto as Exhibit 4, of CMCI's intent to dispute any claim that a right-of-way or other easement is or has been created by this Agreement or any use of the CMCI property pursuant to it. Upon the execution of this Agreement, Naugatuck shall accept service of said notice in accordance with Conn. Gen. Stat. § 47-39 and it shall be recorded on the land records of the Borough of Naugatuck. Naugatuck hereby waives any defects in the notice or the service or recording thereof that might otherwise impair its effect under Conn. Gen. Stat. § 47-38. Naugatuck further agrees that as long as this Agreement remains in effect, Naugatuck shall not assert, and hereby expressly waives, any claim that any right to access across the CMCI property to the Naugatuck POTW property, by any person or for any purpose, is subject to acquisition by eminent domain

5. This Agreement states the entire agreement of the parties and constitutes their sole and exclusive agreement regarding the subject matter hereof. The parties have no agreements or understandings regarding the subject matter hereof other than those expressly stated herein. This Agreement completely supersedes all prior agreements, contracts, representations, or understandings regarding the subject matter hereof, including without limitation the "Waste Treatment Contract" between the parties, dated May 15, 1970, as amended. Any such prior agreements, contracts, representations or understandings are hereby merged into and superseded by this Agreement.

6. This Agreement shall not be modified, nor any of the parties' obligations waived, except in a writing signed by both parties. Any oral modification or waiver shall be ineffective unless confirmed in such a writing. Any failure to insist on performance of any term hereof on any given occasion shall not limit the right of a party to insist on performance of such term on any other occasion. Nothing herein shall preclude the parties from negotiating extension or early termination of all or any portion of this Agreement, provided, however, that neither party shall have any

obligation to agree to any such extension or termination.

7. If any provision of this Agreement is determined to be contrary to or otherwise in conflict with the requirements of any controlling legal or regulatory requirement, then the affected provision shall be restricted or reformed so as to give effect as nearly as possible to the parties' intent as expressed herein, and the remainder of this Agreement shall remain in full force and effect.

8. Any notice or communication which may be or is required to be given pursuant to the terms of this Agreement shall be in writing and shall be sent postage prepaid, by Certified Mail, Return Receipt Requested, by a private courier service that provides tracing and proof of receipt of sent items, or by fax, to the following addresses and fax numbers or to such other addressees, addresses and fax numbers as either party may designate by notice similarly sent:

To Crompton Manufacturing Company, Inc.:

Factory Manager
Crompton Manufacturing Company, Inc.
Naugatuck Plant
280 Elm Street
Naugatuck, CT 06770
Phone: 203-720-6269
Fax: 203-720-6403

with a copy to its counsel as follows:

Crompton General Counsel
Crompton Corporation
One American Lane
Greenwich, CT 06831-2559
Phone: 203-552-2829
Fax: 203-552-2869

To the Borough of Naugatuck:

James Stewart
Borough Engineer
Town Hall
Naugatuck, CT 06770
Phone: 203-720-7005
Fax: 203-720-7096

with a copy to its counsel as follows:

- Attorney N. Warren Hess
42 Terrace Avenue
Naugatuck, CT 06770
Phone: 203-729-5217
Fax: 203-723-9346

Attorney Kevin McSherry
38 Fairview Avenue
Naugatuck, CT 06770
Phone: 203-723-6609
Fax: 203-723-9742

Notices shall be effective upon receipt or attempted delivery if delivery is refused or the party no longer receives deliveries at said address and no new address has been given to the other party in accordance with this paragraph.

THE BOROUGH OF NAUGATUCK

By Joan B. Taf
Joan B. Taf, Mayor

Date 4/12/01

CROMPTON MANUFACTURING COMPANY, INC.

By Walter K. Ruck
Walter K. Ruck
Vice President of Manufacturing

Date 4/12/01

Exhibits to Discharge and Access Agreement

(Corresponding sections of Agreement noted parenthetically)

1. Diagram depicting existing and alternate truck routes through CMCI property (4.a.)
2. Rules for vehicle owners and operators (4.d.)
3. Procedures for Use of License (4.d.)
4. Notice pursuant to Connecticut General Statutes § 47-38 (4.h.)

Discharge & Access Agreement Exhibit 2

Crompton Manufacturing Company, Inc.

Rules for Vehicle Owners, Vehicles and Vehicle Operators

These Rules apply to vehicle owners, vehicles, vehicle operators, and to any other persons that enter the property of Crompton Manufacturing Company, Inc. (CMCI) as sublicensees under authority of the "Discharge and Access Agreement" dated _____, 2001, between CMCI and the Borough of Naugatuck (Naugatuck), and shall constitute terms of any sublicense granted in accordance therewith.

Definitions

"Owner" means the owner, lessee, or other person responsible for any vehicle that enters the CMCI Property under authority of the Discharge and Access Agreement. "Owner" also means the person who employs or contracts with any Operator.

"Operator" means the driver of a vehicle that enters the CMCI Property pursuant to the License, whether or not employed by or under contract to an Owner.

"CMCI Property" means the property at 280 Elm Street in Naugatuck, Connecticut, through which the premises of the Naugatuck publicly owned treatment works (POTW) may be accessed.

"Laws and Regulations" means any United States or foreign federal, state or local law, regulation, ordinance, rule or order in effect from and after the date of the Owner or Operator's acceptance of these Rules (including following expiration or termination hereof), including, without limitation, laws, regulations, ordinances, rules or orders pertaining to health, safety or the protection of the environment and any other laws, regulations, ordinances, rules or orders which govern (i) the existence, removal or remediation of waste materials or hazardous waste on real property; (ii) the emission, discharge, release, or control of waste materials or hazardous waste into or in the environment; (iii) the use, generation, handling, transport, treatment, storage, disposal or recovery of waste materials or hazardous waste; or (iv) the carriage of any waste or other materials conveyed to the Naugatuck POTW by the Owner or Operator through the CMCI Property.

1. No vehicle may enter or remain on the CMCI Property unless the Owner and Operator thereof comply with these Rules. Use of the CMCI Property for access to the Naugatuck POTW constitutes, on the part of the Owner and Operator, acceptance of and agreement to comply with these Rules.

2. In relation to CMCI, any Owner, Operator or vehicle entering the CMCI Property pursuant to the Discharge and Access Agreement does so only as a licensee whose presence is not for the benefit of CMCI, and not as an invitee. No Owner or Operator shall have any enforceable

rights under the Discharge and Access Agreement, including without limitation any rights as a third-party beneficiary. No other relationship is created between CMCI and any Owner or Operator by these Rules or by the Discharge and Access Agreement. Neither CMCI nor any Owner or Operator shall in any way, directly or indirectly, expressly or by implication, be deemed to be agents of each other. Each Owner or Operator assumes full responsibility for its employees' and subcontractors' acts and omissions, and all terms and conditions of their employment.

3. General Safety Rules

- a. Smoking is not permitted on the CMCI Property.
- b. No vehicle, driver or passenger is permitted to enter the CMCI Property without first providing written acknowledgment of receipt of these Rules and proof of current insurance, obtaining authorization from Naugatuck or its designee, and providing proof of current insurance.
- c. Under no circumstances may a minor child accompany a vehicle or driver pursuant hereto.
- d. Drivers shall be familiar with the hazards, know the proper loading/unloading procedures, and be equipped with the necessary protective equipment for the materials they are carrying.
- e. All vehicles and drivers are subject to inspection upon entering and leaving the CMCI Property.
- f. The speed limit on the CMCI Property is 10 miles per hour.
- g. Cameras, alcohol, illegal drugs, firearms, ammunition, cigarettes and "strike anywhere" matches shall not be brought onto or used at the CMCI Property.
- h. No vehicle may be operated in any manner that creates a safety or environmental hazard. No Owner or Operator shall engage in any activity on the CMCI Property that creates any safety or environmental hazard.
4. Licenses, Certifications and Insurance

a. Vehicles: Each vehicle owner and each operator of a vehicle operated on the CMCI Property shall be in compliance with the insurance requirements of the state of Connecticut and the state of vehicle registration or operator license and any other applicable authority.

b. Each vehicle operated on the CMCI Property shall hold and be in compliance with all licenses, certifications, and insurance required under any applicable Laws and Regulations.

5. Compliance with law

Owners and Operators shall comply with all Laws and Regulations applicable to their vehicles, the carriage of materials hauled to the Naugatuck POTW, to such materials themselves, or to any and all other aspects of the handling of such materials that are conveyed to the Naugatuck POTW by the Owner or Operator through the CMCI Property.

6. Notwithstanding any other provision of these Rules or of the Discharge and Access Agreement, access across the CMCI Property pursuant to these Rules and the Discharge and Access Agreement is permissive as to any Owner, Operator or vehicle. CMCI may deny, revoke, terminate or suspend access as to any Owner, Operator or vehicle at any time, with or without notice, for failure to comply with these Rules.

7. If any Owner, Operator or vehicle fails to comply with these Rules, CMCI may deny access to: that Owner or Operator, that vehicle, any vehicle owned or operated by the same Owner or Operator, and any Operator employed by the same Owner.

8. Neither CMCI's failure to insist on strict performance of any currently effective rule, nor CMCI's participation in any course of conduct or course of performance, shall be effective to modify these Rules.

Acknowledgment of Receipt

Receipt of "Crompton Manufacturing Company, Inc. Rules for Vehicle Owners, Vehicles and Vehicle Operators" is hereby acknowledged.

Name _____

Company _____

Date _____

Discharge and Access Agreement
Exhibit 3

Procedures for Grant of Sublicenses

In accordance with Section 4.d. of the Discharge and Access Agreement, the following procedures shall be employed in granting sublicenses for access to the CMCI Property.

1. Disclosure and Acknowledgment of Rules
 - A. Before a sublicensee may enter the CMCI Property, Naugatuck must provide a current copy of the Rules for Vehicle Owners and Operators ("Rules") to such sublicensee, must obtain a written acknowledgment of receipt from such sublicensee, and must obtain a copy of such sublicensee's current proof of insurance.
 - B. As soon as practicable after the effective date of any amendment to the Rules, Naugatuck shall provide a current copy thereof to any sublicensee and obtain from each such sublicensee a written acknowledgment of receipt and a copy of the sublicensee's current proof of insurance.
 - C. Within 72 hours of receiving a sublicensee's acknowledgment of receipt of the Rules, or any amendments thereto, and copy of proof of insurance, Naugatuck shall deliver a copy of same to the security guard at the front gate of the CMCI Property.
2. Notice to CMCI and Objection to Sublicensees
 - A. If CMCI has a reasonable basis for determining that a sublicensee may pose an unreasonable risk of harm to CMCI's property or personnel or to the environment, CMCI may object to such sublicensee and CMCI shall give notice thereof to Naugatuck.
 - B. No sublicensee to which CMCI objects shall thereafter be permitted onto CMCI's property, unless the parties confer regarding such sublicensee and CMCI withdraws its objection in writing.
 - C. No sublicensee whose sublicense has been terminated by CMCI may thereafter be admitted to the CMCI Property without CMCI's prior authorization.
3. Access and Gate Opening Devices
 - A. When Naugatuck delivers copies of a given sublicensee's acknowledgment of receipt of the Rules, or of any amendment thereto, and proof of insurance to CMCI, the security guard at the CMCI front gate shall, if Naugatuck so requests,

issue a gate opening device for use by such sublicensee to gain access to the CMCI Property. Naugatuck and CMCI shall maintain records documenting the identify of sublicensees who receive gate opening devices.

- B. A gate opening device shall be supplied to Naugatuck for its use.
- C. Gate opening device may not be transferred among sublicensees. Naugatuck shall retrieve, and shall promptly return to CMCI, any gate opening device issued to a sublicensee that ceases to make regular use of it.

4. Access

- A. Sublicensees to which gate opening devices have been issued may admit themselves to the CMCI Property in accordance with the Rules.
- B. If Naugatuck wishes to admit a sublicensee without obtaining a gate opening device, Naugatuck may do so after disclosing the Rules, obtaining a signed acknowledgment of receipt thereof, and obtaining a copy of the sublicensee's proof of insurance. Naugatuck may then admit the sublicensee using the gate opening device issued to Naugatuck, and must escort the sublicensee through the CMCI Property as appropriate.
- C. Naugatuck shall maintain records with respect to all sublicenses granted by Naugatuck, including at least the following: (i) signed acknowledgments of receipt of Rules, and any amendments thereto, as described above; (ii) the names, addresses and telephone numbers of sublicensees, (iii) the identity of any recipients of gate opening devices, and (iv) a log of use by sublicensees for which Naugatuck arranges to open the gates to the CMCI property. Such records shall be made available to CMCI for inspection and copying upon request.

5. CMCI Responsibilities

- A. CMCI shall provide gate opening devices for the use of regular users of the license and for other users as to which CMCI and Naugatuck agree that issuance of gate opening devices is appropriate.
- B. CMCI shall provide Naugatuck with a gate opening device, for the use of Naugatuck under circumstances in which the Discharge and Access Agreement and these procedures permit Naugatuck to do so.
- C. CMCI shall provide Naugatuck with prompt notice of any changes to the Rules.

6. Delegation and Assignment

- A. Naugatuck may delegate its obligations under these Procedures to the operator of

the POTW, if the operator agrees in writing to abide by them. Such delegation shall not relieve Naugatuck of its responsibility for compliance with these Procedures. Naugatuck shall give written notice of such delegation or any change therein to CMCI.

- B. If Naugatuck properly delegates its obligations under these Procedures to the operator of the POTW, Naugatuck may provide such operator with the gate opening device issued to Naugatuck as provided in Section 3.B. above; provided, however, that such device may not be used by any person other than the operator of the POTW.

NOTICE PURSUANT TO SECTION 47-38
OF THE CONNECTICUT GENERAL STATUTES

Crompton Manufacturing Company, Inc. is the owner of the real property generally depicted on the diagram attached hereto. Pursuant to Section 47-38 of the Connecticut General Statutes, Crompton Manufacturing Company, Inc. hereby notifies the Borough of Naugatuck of its intention to dispute that Naugatuck has acquired or may in the future acquire a permanent easement across Crompton Manufacturing Company, Inc.'s land by virtue of the utilization of a truck access route across Crompton Manufacturing Company, Inc.'s property for the purpose of obtaining ingress and egress to the Borough of Naugatuck wastewater and incinerator plant.

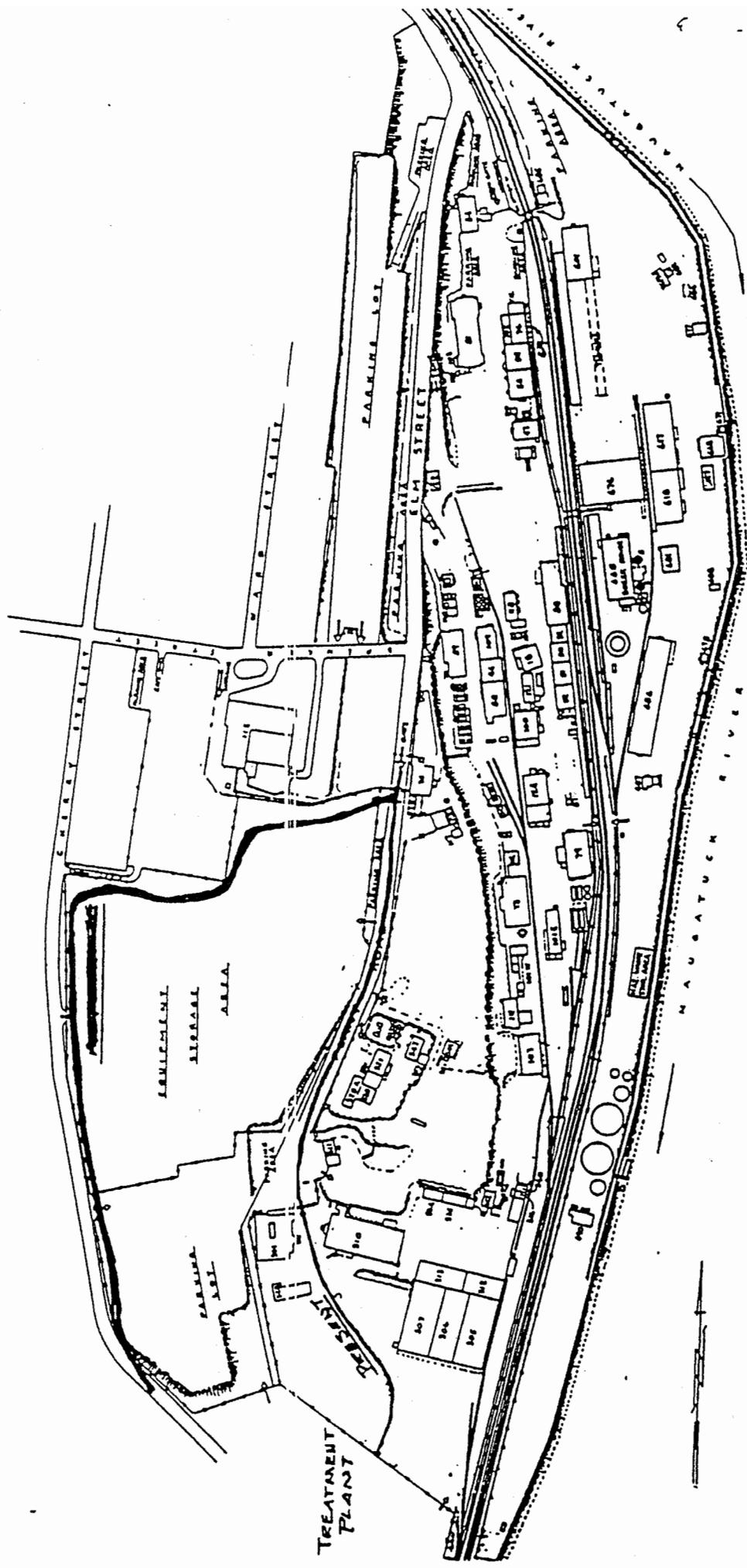
Crompton Manufacturing Co., Inc.

By _____

Its _____

Date _____

01



LEGEND
 [Symbol] - BUILDING [Symbol] - TANKS [Symbol] - STACKS
 [Symbol] - TANK FARM OR CISTERN [Symbol] - TANK FARM
 [Symbol] - TANK FARM WALL (ONLY WALL) [Symbol] - STAIRWAYS
 [Symbol] - RAILROAD TRACKS [Symbol] - DAM [Symbol] - DIRT
 [Symbol] - FENCE

NTC TRUCK ACCES
NOTE

FOR INFORMATION OF THE OPERATOR
 CALL 312-500-7777 FOR INFORMATION
 (MAY BE SUBJECT TO CHANGE WITHOUT NOTICE)

ITEM	DATE
1	1/1/77
2	1/1/77
3	1/1/77
4	1/1/77
5	1/1/77
6	1/1/77
7	1/1/77
8	1/1/77
9	1/1/77
10	1/1/77
11	1/1/77
12	1/1/77
13	1/1/77
14	1/1/77
15	1/1/77
16	1/1/77
17	1/1/77
18	1/1/77
19	1/1/77
20	1/1/77

SHROTON CHEMICAL
 PLANT MAP
 11-B-1628



Naugatuck Middlebury Agreement

FINALIZED COPY

AGREEMENT by and between the BOROUGH OF NAUGATUCK, a municipal corporation incorporated by the General Assembly of the State of Connecticut and situated in New Haven County, State of Connecticut, acting herein by the Honorable Paul O. Bessette, its Mayor, duly authorized by vote of the Board of Mayor and Burgesses on May 7, 1970 (hereinafter referred to as "Naugatuck") and the TOWN OF MIDDLEBURY, a municipal corporation incorporated by the General Assembly of the State of Connecticut and situated in New Haven County, State of Connecticut, acting herein by the Honorable William M. Calabrese, its First Selectman, duly authorized by vote of its Board of Selectmen on June 3, 1969 (hereinafter referred to as "Middlebury"),

WITNESSETH:

THAT WHEREAS the State of Connecticut, acting through the Water Resources Commission, pursuant to 1967 Public Act 57, has advised Naugatuck and Middlebury to act together in providing for the necessary sewerage system with pipe lines and treatment plants for the removal and treatment of liquid wastes; and

WHEREAS Naugatuck and Middlebury, pursuant to their orders from the Water Resources Commission, have prepared preliminary plans which have had general approval of said Water Resources Commission of the State of Connecticut;

NOW, THEREFORE, it is hereby agreed between Naugatuck and Middlebury as follows:

ARTICLE 1

Naugatuck and Middlebury will cooperate in providing facilities to transfer Middlebury's liquid wastes from Middlebury to the Naugatuck Sewage Treatment Plant.

ARTICLE 2

Naugatuck will permit the addition of liquid wastes to its sewerage system

at a point approximately 600 feet east of Nichols Road at the boundary between Middlebury and Naugatuck, and at a point on Guntown Road about 300 feet from the westerly end of Rubber Avenue at the boundary between Middlebury and Naugatuck, and/or other mutually agreeable points.

ARTICLE 3

Cost of connecting the Middlebury sewers to the Authority's sewerage system, and all costs for sewer construction within Middlebury shall be borne by Middlebury, and sewer construction shall conform to general good practice to insure minimal ground water infiltration and to exclude storm water entrance into the system.

ARTICLE 4

Sewage flows shall be metered in Naugatuck near the points of discharge from Middlebury by adequately maintained metering devices acceptable to Middlebury, which shall be furnished and maintained by Naugatuck. Middlebury and Naugatuck shall have access to said meters and devices at all times for purposes of inspection, reading and testing, and Naugatuck will adjust, repair or replace said meters and devices as necessary to insure accurate measurement of flow.

ARTICLE 5

Middlebury agrees to adopt and enforce an ordinance regulating discharges to its sewerage system. The waste waters received by Naugatuck from Middlebury shall be amenable to treatment by the process employed at the treatment plant. The waste waters shall also be subject to the limitations set forth in the Regulations contained in Exhibit B of this agreement.

ARTICLE 6

Waste discharges from Middlebury shall be sampled at the metering stations and analyzed by Naugatuck at the sole discretion of Naugatuck.

ARTICLE 7

Naugatuck agrees to provide intercepting sewers from the points designated in Article 2 to the Naugatuck sewage treatment facilities. Specifically, interceptors will be required from the Middlebury-Naugatuck boundary near Nichols Road to Rubber Avenue (hereinafter designated as the Meshaddock Brook Interceptor) from the Middlebury-Naugatuck boundary at Guntown Road and south of rights of way and along Rubber Avenue to Water Street (hereinafter designated as the Rubber Avenue Interceptor) and along the Naugatuck River from Rubber Avenue to the sewage treatment facilities (hereinafter designated as the West Side Interceptor).

ARTICLE 8

The capacity provided for waste from Middlebury in each of these interceptors will be as tabulated below:

	<u>Average Daily Flow (million gallons per day)</u>	<u>Maximum Rate of Flow (million gallons per day)</u>
Meshaddock Brook Interceptor	1.4	3.5
Rubber Avenue Interceptor above Meshaddock Brook Interceptor	1.5	3.8
Rubber Avenue Interceptor below Meshaddock Brook Interceptors	2.9	7.3
West Side Interceptor	2.9	7.3

ARTICLE 9

Naugatuck further agrees to construct and maintain sewage treatment facilities to provide adequate treatment of sewage from the Town of Middlebury, and said facilities will have capacity for the Town of Middlebury of 1.8 mgd average daily flow, the estimated sewage flow for 1990. The adequacy treatment and operation of said treatment facilities shall be determined by Naugatuck and appropriate laws and regulations of the State of Connecticut and the United States Government.

ARTICLE 10

The Town of Middlebury agrees to pay Naugatuck for its share of said intercepting sewers on the basis of the following tabulated percentages:

	<u>Middlebury Share %</u>	<u>Middlebury Estimated Cost</u>	<u>Estimated Project Cost</u>
(a) Meshaddock Brook (M. B.) Interceptor	92	\$ 276,000	\$ 300,000
(b) Rubber Avenue Interceptor, above junction with M. B. Interceptor	89	311,500	350,000
(c) Rubber Avenue Interceptor, below junction with M. B. Interceptor	70	378,000	540,000
(d) West Side Interceptor	41	<u>331,000</u>	<u>810,000</u>
		\$1,296,500	\$2,000,000

Middlebury shall pay to Naugatuck Middlebury's share of the project cost of each portion of the system as defined above. Project cost shall be the final cost at the end of construction for that portion and shall include construction costs, engineering fees, legal and administrative costs, land costs, permits, and easements, interest during construction, interest resulting from delays in receipt of State and/or Federal Grants, and other related costs. The project cost will also reflect all Federal and State construction grants, so that each municipality will benefit from any such grant. Naugatuck agrees to keep separate detailed cost accounts for each portion of the system, and these will be available for inspection by Middlebury.

ARTICLE 11

Middlebury agrees to pay to Naugatuck a lump sum of money equal to its portion of the shared project costs of the intercepting sewers described in Article 10. Exhibit A, Section II, estimates the allocated project costs of the shared intercepting sewers after subtracting the anticipated State and Federal aid from the total estimated project costs.

ARTICLE 12

Middlebury agrees to pay annually to Naugatuck its proportionate share of the cost of maintenance and operation of the intercepting sewers described in Article 10, and costs shall be allocated on the same basis as the allocation of capital cost of the interceptors described in Article 10.

ARTICLE 13

Middlebury agrees to pay to Naugatuck a lump sum of money equal to its proportionate share of the cost of the sewage treatment facilities. The project cost of the sewage treatment facilities will be allocated to Middlebury after allocation is made to the Uniroyal Chemical Division for treatment of its wastes. Of the remaining project costs, 28.4 percent will be allocated to Middlebury. Project cost shall be the final cost at the end of construction for that portion and shall include construction costs, engineering fees, legal and administrative costs, land costs, permits and easements, interest during construction, interest resulting from delays in receipt of State and/or Federal Grants, and other related costs. The project cost will also reflect all Federal and State construction grants, so that each municipality will benefit from any such grant. Naugatuck agrees to keep separate detailed cost accounts for each portion of the system, and these will be available for inspection by Middlebury. Exhibit A, Sections I and II, show the estimated project costs for Middlebury's share of the sewage treatment facilities.

ARTICLE 14

Middlebury agrees further to pay to Naugatuck its proportionate share of the operation and maintenance costs of the sewage treatment facilities, exclusive of those costs of operation and maintenance allocated to the Uniroyal Chemical Division. These costs will be divided into two parts: (1) Seventy (70) percent to fixed costs (fixed costs are those costs which are primarily associated with the capacity of the facilities and the staffing of the treatment plant to operate it); and (2) Thirty (30) percent to variable costs (variable costs are those costs which are

affected by the actual quantities of flow, suspended solids and biochemical oxygen demand received at the treatment facilities). Preoperational expenses shall be considered as fixed costs to be paid for in the first year's operation and maintenance costs. The allocation of these fixed costs to Middlebury is 28.4 percent and is based upon the percentage of the project costs apportioned to Middlebury as described in Article 13. Estimates of the fixed operating and maintenance costs to Middlebury are presented in Exhibit A, Section III. Variable costs will be allocated to Middlebury using a ratio of the total metered sewage flow discharged into the Naugatuck sewerage system at the Naugatuck-Middlebury boundary, to the total metered flow received at the Naugatuck sewage treatment facilities (exclusive of flow from Uniroyal Chemical Division). Exhibit A, Section IV, A, presents the estimated initial schedule of rates for the variable operating and maintenance costs. Wastes from Middlebury with concentrations of suspended solids and/or biochemical oxygen demand greater than 275 milligrams per liter and 275 milligrams per liter respectively will pay an additional charge as estimated in Exhibit A, Section IV, B.

ARTICLE 15

Middlebury agrees to pay to Naugatuck its proportionate share for the value of land and of any facilities presently existing at the Naugatuck treatment facility that will be utilized for treatment of Middlebury's sewage. Middlebury's proportionate share of the value of the land and existing facilities has been established by authorized engineers for Naugatuck and for Middlebury at \$101,000.00.

ARTICLE 16

The cost of any future construction of additional intercepting sewers for Naugatuck to be used by Middlebury or by both municipalities, and/or additions to the sewage treatment facility, other than as described herein, and as necessary and/or desirable, will be shared on a basis to be determined, which will be mutually agreed upon, based in general upon the benefit to be derived therefrom by each municipality. A share of cost for maintenance and operation of such future construction will be determined also on a similar basis.

ARTICLE 17

Middlebury agrees to advance to Naugatuck its share of the estimated project costs listed in Exhibit A, Sections II, A, II, B, and V for the intercepting sewers, treatment facilities and existing facilities prior to the start of construction. Adjustments for actual project costs must be made within 60 days after each project has received a certification of completion by the Connecticut Water Resources Commission. Payments for the estimated operating and maintenance costs allocated to Middlebury shall be made annually on or before August 15 for the Naugatuck fiscal year beginning the preceding April 1 to March 31 following. At the end of each period ending on March 31, actual costs of operation and maintenance will be determined, and any necessary adjustments will be made. Naugatuck agrees to allow Middlebury to examine its records at any reasonable time relating to said operation and maintenance costs incurred and, further, to provide Middlebury with a detailed summary on or before June 1 of each year with a complete and detailed projection of the estimated costs of operation and maintenance for the Naugatuck fiscal year beginning the preceding April 1. Prepayments for operation and maintenance costs for each subsequent year will be based upon budget estimates of Naugatuck and adjusted at the end of the 12-month period.

ARTICLE 18

It is mutually agreed and understood that this agreement will remain in full force and effect for a period of twenty years from the date hereof and shall be automatically renewed for successive periods of ten years thereafter unless either party notifies the other of its desire to revise or modify any designated provision or provisions of this agreement. Any such proposed revision must be in writing and served upon the other party by certified mail at least sixty days prior to the end of this agreement or any automatic renewal thereof.

This agreement may be amended by the parties hereto at any time by mutual agreement.

ARTICLE 19

The rights and obligations of the parties hereunder shall inure to and be binding upon their respective successors and assigns.

ARTICLE 20

In the event that any action of this agreement, or part thereof, is determined to be invalid, that determination shall not be considered to affect the remaining portion of this agreement as to those sections which are not related to said section or part thereof.

ARTICLE 21

This agreement sets forth the entire understanding and agreement between the parties respecting the subject matter hereof. This agreement shall not be in any respect modified or changed as the result of ordinances adopted by the Town of Middlebury and Naugatuck concerning this subject matter.

ARTICLE 22

If there should be any difference of opinion between the parties hereto as to the interpretation and application of any clause or clauses of this agreement, including Exhibits A and B, or if there should be differences of opinion as to the provisions of any revision or modification of this agreement as provided in Article 18, the following procedure shall apply:

First: The parties will meet with or without their consulting engineers within ten days after notice of the difference of opinion in an attempt to resolve the difference of opinion.

Second: In the event such meeting does not resolve the difference of opinion or the provisions of a renewal of this agreement or a modification thereof, then either party may proceed to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. Any arbitrator to be appointed under such rules shall be fully qualified and an expert

in the field of sewage treatment and control. Such arbitrator's award shall be final and binding, and judgment upon his award may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their respective officers thereto duly authorized, this 18th day of August, 1969, and this 15th day of May, 1970.

Attest:

Robert J. [unclear]

BOROUGH OF NAUGATUCK

By *Paul O. [unclear]*

Mayor

Attest:

Paul [unclear]

TOWN OF MIDDLEBURY, CONNECTICUT

By *William [unclear]*

First Selectman

NOTES FOR EXHIBIT A

1. Estimated Project costs to be adjusted after completion of construction.
2. The total project cost allocated to Middlebury after the adjustments in Note (1) and after State and Federal aid will comprise Middlebury's total project cost obligation to the Authority as described in Articles 10, 11 and 13.
3. For the purpose of this contract, total fixed operating and maintenance costs will be taken at 70 percent of total operating and maintenance costs apportioned to the municipalities.

EXHIBIT A

I. Estimated Project Cost Allocated to Middlebury (See Note 1)	Per Cent of Total Project Cost Allocated to Middlebury*	Estimated Project Costs
		Total
A. Intercepting Sewers	64.8%	\$2,000,000**
B. Treatment Facilities	28.4%	4,037,800*
Total Estimated Project Cost		\$6,037,800
		<u>Allocated to Middlebury</u>
		\$1,296,500
		<u>1,147,100</u>
		\$2,443,600

II. Estimated Project Cost Allocated to Middlebury After Subtracting Anticipated State and Federal Aid (See Note 2)	Per Cent of Total Project Cost Allocated to Middlebury	Estimated Project Costs
		Total
A. Intercepting Sewers	64.8	\$ 300,000**
B. Treatment Facilities	28.4	605,700
Total Estimated Project Cost After Aid		\$ 905,700
		<u>Allocated to Middlebury</u>
		\$ 194,500
		<u>172,100</u>
		\$ 366,000

* After Allocation to Uniroyal Chemical Division

** Excluding Interceptors which will not be shared by Middlebury.

MIDDLEBURY
EXHIBIT A

<u>III. Annual Minimum Charge</u>	<u>Per Cent of Annual Fixed Costs</u> <u>Allocated to Middlebury*</u>	<u>Total*</u>	<u>Estimated Annual Cost</u> <u>Allocated to Middlebury</u>
A. Fixed Operating and Maintenance Costs (See Note 3)	28.4%	\$ 94, 100	\$ 26, 700
<u>IV. Variable Operating Costs</u>			
A. Initial Schedule			\$ 27. 61 /Million Gallons of Waste Discharged
B. Additional Charge for Quantities of Waste Constituents in Excess of the Concentrations Stated in Article 14.			
			. 62¢/Pound of additional solids for concentrations of suspended solids greater than 275 milligrams per liter. Flow = 1. 8 x 365 = 657 mgd
			. 32¢/Pound of additional Biochemical Oxygen Demand for concentrations of Biochemical Oxygen Demands greater than 275 milligrams per liter.
<u>V. Compensation for Land and Existing Facilities</u>			
			Existing Treatment Facilities..... 77, 000
			Land 24, 000
			Total\$101, 000

* After Allocation to Uniroyal Chemical Division

** Excluding interceptors which will not be shared by Middlebury.

EXHIBIT B

NAUGATUCK-MIDDLEBURY SEWER SERVICE CONTRACT
REGULATIONS OF THE NAUGATUCK SEWERAGE SYSTEM

- Sec. 1. Stormwater, surface water, ground water, roof runoff, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters shall not be discharged into Naugatuck sewerage system.
- Sec. 2. The following described waters or wastes shall not be discharged into the Naugatuck sanitary sewer system:
- (a) Gasoline, benzine, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas.
 - (b) Wastes containing toxic or poisonous solids, liquids or gases in sufficient quantity, either singly or by interaction with other wastes, to injure or interfere with sewers or sewage treatment processes; constitute a hazard to humans or animals, create a public nuisance; or create a hazard in the receiving waters of the sewage treatment plant. Such wastes include but are not limited to cyanides in excess of 1.0 mg/l as CN and Chromium (VI) in excess of 1 mg/l in the wastes as discharged to the Naugatuck sewerage system.
 - (c) Wastes having a pH lower than 6.5 or higher than 9.6 or having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the sewage works.
 - (d) Solid or viscous substances in quantities of a size that would cause obstruction to the flow in sewers, or other interference with the proper operation of the sewage works such as, but not limited to, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole blood,

paunch manure, hair and fleshings, entrails and paper dishes, cups and milk containers.

Sec. 3. The following described substances, materials, waters, or wastes shall not be discharged into the Naugatuck sewerage system.

(a) Liquids or vapors having a temperature higher than one hundred fifty (150) degrees F. (65 degrees C).

(b) Wastes containing fat, wax, grease, or oils, whether emulsified or not, in excess of one hundred (100) mg/l or containing substances which may solidify or become viscous at temperatures between thirty-two (32) and one hundred fifty (150) degrees F. (0 and 65 degrees C).

(c) Garbage that has not been properly shredded.

(d) Wastes containing iron, chromium, copper, zinc, and similar objectionable or toxic substances which exceed the limits established by the Borough. Wastes containing an aggregate of 10 mg/l of the above heavy metals shall be raised to a pH of between 8.0 and 9.5.

(e) Wastes exerting an excessive chlorine requirement to such a degree that any such material received from Middlebury exceeds the limits established by the Borough.

(f) Wastes containing phenols or other taste or odor-producing substances, in such concentrations exceeding the limits which may be established by the Borough.

(g) Radioactive wastes or isotopes of such half-life or concentration as may exceed the limits established by the Borough in compliance with applicable State or Federal regulations.

(h) Materials which exert or cause:

(1) Unusual concentration of inert suspended solids (such as,

but not limited to, Fullers earth, lime residues) or dissolved solids (such as, but not limited to, sodium chloride or sodium sulfate).

(2) Excessive discoloration (such as, but not limited to, dye wastes and vegetable tanning solutions).

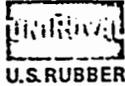
(3) Unusual BOD, chemical oxygen demand, or chlorine requirements in such quantities as to constitute a significant load on the sewage treatment works.

(4) Unusual concentration of wastes constituting a "Slug". A "slug" shall mean any discharge of water, sewage or industrial waste which in concentration of any given constituent exceeds for any period of duration longer than fifteen (15) minutes more than three (3) times the average twenty-four (24) hour concentration during normal operation.

(i) Wastes containing substances which are not amenable to treatment or reduction by the sewage treatment processes employed.

Sec. 4. If wastes are discharged into the Naugatuck sewerage system by Middlebury that contain substances or possess the characteristics enumerated in these regulations, and which in the judgment of the Borough may have a deleterious effect upon the sewage works, processes, equipment or receiving waters or which otherwise create a hazard to life or constitute a public nuisance, Middlebury shall, at the request of Borough, take immediate steps to eliminate the objectionable materials in order to make the wastes acceptable.

cc: Dr. Bosch, Markle, Prince, Engman



UNIROYAL, Inc.
Rockefeller Center
1230 Avenue of Americas
New York, N. Y. 10020
212-247-5000

RECEIVED
MAY 15 1970
BOTO CLERK

Office of Vice President

May 15, 1970

Borough of Naugatuck
Naugatuck, Connecticut

Re: Waste Treatment Contract
Uniroyal, Inc. - Naugatuck

Gentlemen:

In connection with the Waste Treatment Contract of this date between the Borough of Naugatuck and Uniroyal, Inc., the parties agree that performance of the construction work contemplated therein assumes receipt by the Borough of funds from State and Federal grants in accordance with the schedule annexed.

If for any reason the payment of such grants in accordance with the schedule is substantially delayed the parties agree not to proceed further with the construction work until they have consulted one another to determine by mutual agreement the feasibility of further construction work.

If the foregoing is agreeable, kindly so indicate on the attached copy.

Very truly yours,

UNIROYAL, INC.

By: [Signature]
Financial Vice President

R
Enc.

APPROVED:

BOROUGH OF NAUGATUCK

By: [Signature] Mayor

By: [Signature]
[Signature]
[Signature]

ESTIMATED PAYMENTS TO NAUGATUCK

<u>Item</u>	<u>Estimated Payment Date</u>	<u>Estimated Amount</u>	
Advance Planning Grant Connecticut Water Resources Commission	Aug. '69	\$ 213,850	
	Nov. '69	213,850	
	Mar. '70	53,000	
	June '70	53,000	
	Sept. '70	53,000	
	Dec. '70	53,000	
Middlebury* Interceptors	Oct. '69	194,500	
	Water Pollution Control Plant	Dec. '70	172,100
	Land and Existing Facilities	Dec. '70	101,000
Connecticut Water Resources Commission and FWPCA			
\$2,900,000 estimated payment date	Jan. '71	\$1,794,000 (\$2,436,000 - 640,000)	
\$5,800,000	Oct. '71	2,436,000	
\$8,700,000	July '72	2,436,000	
\$11,560,000	Feb. '73	1,462,000	
Estimated payment date ?		974,000 (Final 10 retained until audit)	

* Based on assumption that Naugatuck-Middlebury contract will be approved as drafted.

PRELIMINARY

FIRST AMENDMENT

THIS FIRST AMENDMENT made as of the first day of July, 1994 by and between the BOROUGH OF NAUGATUCK, a municipal corporation incorporated by the General Assembly of the State of Connecticut (hereinafter "Naugatuck"), and the TOWN OF MIDDLEBURY, a municipal corporation incorporated by the General Assembly of the State of Connecticut (hereinafter "Middlebury"),

W I T N E S S E T H :

WHEREAS Naugatuck and Middlebury entered into a certain Agreement dated August 18, 1969 and May 15, 1970 respectively (the "Original Agreement") for the removal and treatment of liquid waste for the Borough of Naugatuck and the Town of Middlebury;

WHEREAS the Original Agreement provides, among other things, for the construction and operation of a waste treatment facility located in the Borough of Naugatuck ("Treatment Plant");

WHEREAS the Original Agreement provides that either party may at certain intervals request revisions or modifications to provisions of the Original Agreement; and

WHEREAS Naugatuck did request such modifications on or about the end of the initial twenty year term of the Original Agreement, which requests, together with other issues, were thereafter the subject of negotiations between the parties;

NOW THEREFORE, for valuable consideration, Naugatuck and Middlebury agree to enter into this First Amendment to govern their respective obligations relative to the Treatment Plant for a twelve

year period, as follows:

1. Acknowledgements and Tolling Agreement.

(a) The parties acknowledge that the agreements memorialized in this First Amendment are without prejudice to, and are not intended as a release of, any rights which either party may have, except as specifically stated herein. The parties expressly reserve all positions, rights, claims and defenses regarding or relating to the Treatment Plant other than as specifically stated herein.

(b) (i) Notwithstanding the foregoing, the parties agree that so long as this First Amendment shall remain in effect, they shall not assert in any manner (affirmatively or defensively), in any forum or proceeding, any claims or defenses asserted in the action styled Town of Middlebury, et al. v. Borough of Naugatuck, et al., No. CV-93-0113962-S or in the arbitration to which that action was subsequently referred ("the Middlebury Action").

(ii) The parties acknowledge that while this First Amendment is in effect, there may occur "Extraordinary Events," defined as developments that significantly alter the fundamental regulatory, ownership or funding conditions under which the Treatment Plant is operated. The parties stipulate that Extraordinary Events would include, for example but without limitation, sale of the Treatment Plant to a private non-governmental owner other than the Borough of Naugatuck for operation by such owner ("privatization"), or requirement by the

state or federal governments that the Treatment Plant provide waste water treatment services to other municipalities within a defined geographic area through a sanitary sewer line ("regionalization"). The parties further stipulate that Extraordinary Events would not include, for example but without limitation, alteration of the fee structure or volume of waste trucked to the Treatment Plant, alteration of regulations regarding pretreatment or discharge requirements applicable to the wastewater treatment operations of the Treatment Plant, alteration of the regulations governing disposal of sewage sludge or ash, or alteration in regulatory requirements necessitating capital improvements to the Treatment Plant. The parties agree that they know of nothing that has happened or been done in relation to the Treatment Plant since the date of the Original Agreement that would qualify as an Extraordinary Event. The parties further agree that their rights regarding any future reimbursement for the original costs of constructing the Treatment Plant shall not constitute an Extraordinary Event, but shall be determined in accordance with Section 3.c. below. If a development occurs which qualifies as an Extraordinary Event, then notwithstanding Section 1.b.i. above, either party may assert claims, defenses or counterclaims against the other party insofar as they relate to the benefits or consequences of such Extraordinary Event; provided, however, that the other provisions of this First Amendment shall remain in full force and effect. Any dispute concerning whether a development qualifies as an Extraordinary Event for purposes of this

Subsection, and any dispute concerning whether or to what extent a claim, defense or counterclaim relates to the benefits or consequences of an Extraordinary Event, shall be resolved in accordance with the applicable provisions of the Original Agreement.

(c) The parties agree that in any future proceedings between them regarding any claims or defenses asserted in the Middlebury Action, neither party shall plead or set up as a defense any statute of limitations or other defense due to the passage of time during the period from February 19, 1993 to the date one year after the end of the First Term, as hereinafter defined ("the Tolling Period"). Notwithstanding the foregoing, (i) the parties shall remain free to assert any defenses due to the passage of time that may have existed at any time up to February 19, 1993; and (ii) the first sentence of this Subsection 1(c) shall have no further force and effect after one year following the end of the First Term, and shall not apply in any proceeding commenced more than one year after the end of the First Term.

2. Term. The term of this First Amendment shall be for a period of twelve (12) years, commencing as of July 1, 1994 and terminating on June 30, 2006 (the "First Term"). Article 18 of the Original Agreement is hereby deleted in its entirety and the following is substituted in its place:

ARTICLE 18

It is mutually agreed and understood that this Agreement, as modified by the First Amendment dated _____, 1996, shall remain in full force and effect from the end of the First Term and shall, as so modified, be automatically renewed for successive periods of ten years thereafter unless either party notifies the other of its desire to revise or modify further any designated provision or provisions of this Agreement, as so modified. Any such proposed revision must be in writing and served upon the other party by certified mail at least sixty days prior to the end of the First Term or the end of any subsequent automatic ten year renewal term.

This Agreement, as so modified, may be amended by the parties hereto at any time by mutual agreement.

3. Annual Payments; Definitions.

(a) For purposes of this First Amendment, the following terms shall have the meanings defined here.

(i) Expenditures consist of any costs or expenses incurred at the Treatment Plant, including without limitation the cost of any government mandates, compliance with applicable laws, operating and maintenance costs, capital costs (other than those defined in and covered by Section 5 below or Infiltration/Inflow Costs defined in and

covered by Section 6 below), civil actions, including fines and penalties, or other items of cost or expenses, and further including payments to Naugatuck and Uniroyal Chemical Company for "indirect administrative expenses" as defined in 1.03(B)(a) and 1.03(B)(b) of the Operating Agreement between the Borough of Naugatuck and the Water Pollution Control Board and the Naugatuck Treatment Company, dated November 7, 1993, as amended, provided, however, that if that Operating Agreement is amended at any time during the term of this First Amendment, a copy of such amendment shall be provided to Middlebury. "Expenditures" shall not include excess revenue distribution payments to Uniroyal Chemical Company or to the Borough of Naugatuck.

- (ii) Revenues consist of all income for the treatment of waste at the Treatment Plant, including without limitation income received from outside waste trucked from all sources to the Treatment Plant, income from other Towns for treatment of waste, income received from other private sources for treatment of waste such as arrangements in connection with treatment of leachate from the Beacon Heights and Laurel Park landfills, but not including sums that Uniroyal Chemical Company or Naugatuck pay as their respective shares of any "Shortfall" as defined in Section 4 of this First Amendment.

(b) In consideration for the impact to the Borough of Naugatuck resulting from the fact that the Treatment Plant is located in the Borough of Naugatuck, Middlebury shall pay Naugatuck an "Impact Fee" of twenty-five thousand dollars (\$25,000.00) each year, in advance ("Impact Fee"). Each payment shall be for the fiscal year commencing on July 1 and terminating on the immediately following June 30, and shall be made on the 15th day of August in such fiscal year; provided, however, that Middlebury shall also pay the Impact Fees for the fiscal years ending June 30, 1995 and 1996, respectively, totaling \$50,000.00, on August 15, 1996.

In consideration for payment of the Impact Fee, Middlebury shall have no obligation to pay any portion of Expenditures, except as provided in Sections 4, 5 and 6 below.

This First Amendment shall not affect the existing practices of the Towns with respect to septic system waste delivered by trucks from the Town of Middlebury to the Treatment Plant.

(c) Notwithstanding any other provision of this First Amendment or of the Original Agreement, it is expressly understood and agreed that if the United States of America and/or the State of Connecticut should in the future provide for reimbursement, or otherwise permit recovery, of the original capital cost of constructing the Treatment Plant (as defined in the Original Agreement) or of the cost of the Upgrade (as defined in Section 5 below), and if Naugatuck in its discretion elects to pursue such reimbursement or other means of recovering such costs, then Middlebury shall be entitled to a share of the proceeds of such

reimbursement or recovery. In that event, Middlebury's share shall be determined using the same methodology as is employed to determine the shares of Naugatuck and Uniroyal. Any dispute concerning Middlebury's share shall be resolved pursuant to Section 11 of this First Amendment.

4. Shortfall, Surplus of Revenues Relative to Expenditures.

Notwithstanding any other provision of this First Amendment, Middlebury agrees that in the event Revenues for any fiscal year are less than Expenditures for that fiscal year, Middlebury shall pay a share of the amount by which Revenues fall short of Expenditures (the "Shortfall").

In the event of a Shortfall, Middlebury agrees to pay a portion thereof equal to its share as determined in accordance with the provisions of Article 14 of the Original Agreement, less the Impact Fee paid by Middlebury for the fiscal year in which such Shortfall occurs.

Naugatuck shall provide written notice to Middlebury of any Shortfall, accompanied by an accounting of Expenditures and Revenues for such fiscal year and a calculation of such Shortfall, within thirty (30) days of the end of such fiscal year. Middlebury shall pay its portion thereof, as determined pursuant to Article 14 of the Original Agreement and this Section 4 of this First Amendment, within thirty (30) days of receipt of the written notice described above.

Middlebury shall not be entitled to any share of any surplus

of Revenues over Expenditures for any fiscal year so long as this First Amendment shall remain in effect. Naugatuck agrees to retain funds from such surplus, in its discretion consistent with sound fiscal and engineering practices, as a reserve for capital improvements for future fiscal year(s), prior to any distribution of fiscal year end surplus. No fiscal year end deficit shall be carried forward to any future fiscal years.

Independent of the foregoing, the parties acknowledge that some obligations for Expenditures, which might result in a Shortfall if paid on a current basis in a single year, could instead, under the proper circumstances, be paid over a period greater than a single year or could be financed by a loan or bond issue of greater than a single year term or maturity. The parties further acknowledge that the Upgrade and Infiltration/Inflow projects described respectively in Sections 5 and 6 below exemplify the kind of obligations for which such financing arrangements are appropriate.

The parties therefore agree to negotiate in good faith, at the request of either as the need may arise, regarding financing of appropriate projects by means of separate payment arrangements, loans or bonding, independent of the single-year Expenditure, Revenue and Shortfall framework defined by this Section 4. The parties further agree that under any such arrangements, Middlebury's payments shall be made in the same manner as payments by Naugatuck and/or Uniroyal Chemical Company, and in the event that such costs are funded by bonds issued by the Borough of

Naugatuck and/or loans, Middlebury's payments shall be based on the schedule of payments and interest established in such bond and/or loan instruments.

5. Capital Costs. Notwithstanding any other provision of this First Amendment, Middlebury agrees that for the First Term, it shall remain responsible for, and shall pay, its proportionate share of capital costs of improvements to the Treatment Plant described in the Wastewater Treatment Facility Upgrade and Sanitary Sewer Assessment, as mandated by the State of Connecticut Department of Environmental Protection under Pollution Abatement Order Number WCU 4898 dated December 11, 1989 (the "Upgrade"), and any amendments to the Upgrade. The capital costs of the Upgrade are expressly excluded from the costs defined as Expenditures for purposes of this First Amendment. Costs incurred solely to accommodate the activities that generate Revenue, as defined in Section 4 above, shall be funded out of such Revenue and shall not be considered capital costs for purposes of this Section 5.

Middlebury's payments for its share of capital costs of the Upgrade shall be made in the same manner as payments by Naugatuck and Uniroyal Chemical Company. In the event that such costs are funded by bonds issued by the Borough of Naugatuck and/or loans from the State of Connecticut, Middlebury's payments shall be based on the schedule of payments and interest established in such bond and/or loan instruments.

6. Infiltration/Inflow Costs. Naugatuck shall perform an infiltration/inflow evaluation of the Interceptors described in the Original Agreement and receiving flow from the Town of Middlebury, as required by the Upgrade. A copy of the evaluation shall be provided to Middlebury. Notwithstanding any other provision of this First Amendment, Middlebury agrees that if the evaluation recommends modifications or improvements to the Interceptors, Middlebury shall pay its proportionate share of the cost of the evaluation in accordance with Article 12 of the Original Agreement, and of the cost of such modifications or improvements as determined in accordance with Article 16 of the Original Agreement ("Infiltration/Inflow Costs").

Middlebury's payments for its share of costs associated with the Infiltration/Inflow evaluation, including the costs of any resulting modifications or improvements to the Interceptors, shall be made in the same manner as payments by Naugatuck. In the event that such costs are funded by bonds issued by the Borough of Naugatuck and/or loans from the State of Connecticut, Middlebury's payments shall be based on the schedule of payments and interest established in such bond and/or loan instruments.

7. Accounting. Naugatuck shall account for all Expenditures and Revenue for the operation of the Treatment Plant, including Bond Issue payments, in accordance with generally accepted accounting principles, applied on a cash basis for each fiscal year. Naugatuck shall provide monthly and annual fiscal year end

reports, in a timely fashion, showing all Revenues, Expenditures and the capital reserve and surplus accounts for the Treatment Plant, including payments to and from such accounts. Such reports shall include both payments made directly to the Borough of Naugatuck and payments to the operator of the Treatment Plant for the applicable reporting periods. The fiscal year for the Treatment Plant shall be July 1st through the following June 30th. Books and records pertaining to the operation of the Treatment Plant shall be available for inspection during reasonable business hours.

8. Prior Years. The parties agree that no additional payments shall be required of each other for any years prior to July 1, 1996, and hereby waive the right to any such payment, provided, however, that in any future litigation between these parties arising out of or relating to the Treatment Plant or the Original Agreement, claims for such payments may be asserted for defensive purposes, for example (but without limitation) by way of setoff or recoupment, to reduce the amount that would otherwise be recoverable.

9. Meetings. The Middlebury Water Pollution Authority (the "MWPCA") shall have the right to attend meetings of the Borough Water Pollution Control Authority (the "BWPCA"), and to speak on any issues affecting the Treatment Plant. Naugatuck shall notify MWPCA of the regular meeting schedule of BWPCA and of any special

meetings of the BWPCA at which matters affecting the Treatment Plant are on the agenda.

10. Inconsistency. Except to the extent modified by this First Amendment, the Original Agreement is renewed and extended for the First Term, and for any subsequent renewal terms, as provided in Section 2 above. In the event that any provision of this First Amendment is contrary to or inconsistent with any provision of the Original Agreement, the pertinent provision of this First Amendment shall prevail.

11. Dispute Resolution.

(a) General Dispute Resolution. Any dispute arising under this First Amendment, other than those covered by Sections 11(b) and 11(c) below, shall be resolved in accordance with the applicable provisions of the Original Agreement. Notwithstanding the foregoing, neither this Subsection nor any other provision of this First Amendment shall be deemed an admission or agreement by either party regarding the method of resolution for any of the claims asserted in the Middlebury Action.

(b) Payment or Withholding of Disputed Amounts. If Middlebury disputes its obligation to pay its share of any Shortfall under Section 4 hereof, any Capital Cost under Section 5 hereof, or any Infiltration/Inflow Cost under Section 6 hereof, or claims that its obligation to pay such share of such Shortfall, Capital Cost or Infiltration/Inflow Cost is subject to a claimed

setoff arising under this Amendment, the Original Agreement, or any other claim, Middlebury shall have the option, in its discretion, of either retaining the disputed amount or paying it under protest. Any such dispute shall be resolved in accordance with the applicable provisions of the Original Agreement, subject to the following:

(i) If Middlebury retains the disputed amount, and if at the conclusion of the dispute resolution process Middlebury is determined to owe some or all of the disputed amount, Middlebury shall pay the amount ultimately determined to be due together with interest thereon at the rate of 10% per annum, compounded continuously, from the original due date to the date of final disposition of the dispute.

(ii) If Middlebury pays the disputed amount under protest, and if at the conclusion of the dispute resolution process Middlebury is determined to have paid more than properly due, then the amount of the excess payment shall be refunded to Middlebury together with interest thereon at the rate of 10% per annum, compounded continuously, from the original payment date to the date of final disposition of the dispute.

(c) Claims Asserted in Middlebury Lawsuit. Middlebury agrees that for the term of this First Amendment, it shall not assert as setoff or counterclaim under Subsection (b) above any claim,

position or other right asserted by it in the Middlebury Action.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed as of the date and year first above written.

BOROUGH OF NAUGATUCK

BY: William C. Rado
Its: Mayor

TOWN OF MIDDLEBURY

BY: Edward Blak
Its: FIRST SELECTMAN



BOROUGH OF NAUGATUCK

JUDITH E. CROSSWAIT, BOROUGH CLERK

229 CHURCH STREET
NAUGATUCK, CT 06770
203 / 729-4571

December 5, 1996

Mr. James McGrath
91 Tanglewood Lane
Naugatuck, CT 06770

Dear Mr. McGrath:

Please note the following as recorded in the minutes of the Special Meeting of the Board of Mayor and Burgesses held on November 6, 1996:

"VOTED: Motion by Burgess Wojtczak and seconded that the Board of Mayor and Burgesses approve the Contract between the Borough of Naugatuck and The Town of Middlebury and authorize the Mayor to sign said contract on behalf of the Borough of Naugatuck.

ROLL CALL VOTE:

FOR:

R. Woodfield	J. Taf
R. Burns	J. Wojtczak
M. Fragoso	T. Ramos
Mayor Rado	

OPPOSED:

L. Ackerman

ABSTAIN:

NONE

Motion carried 7 - 1 - 0."

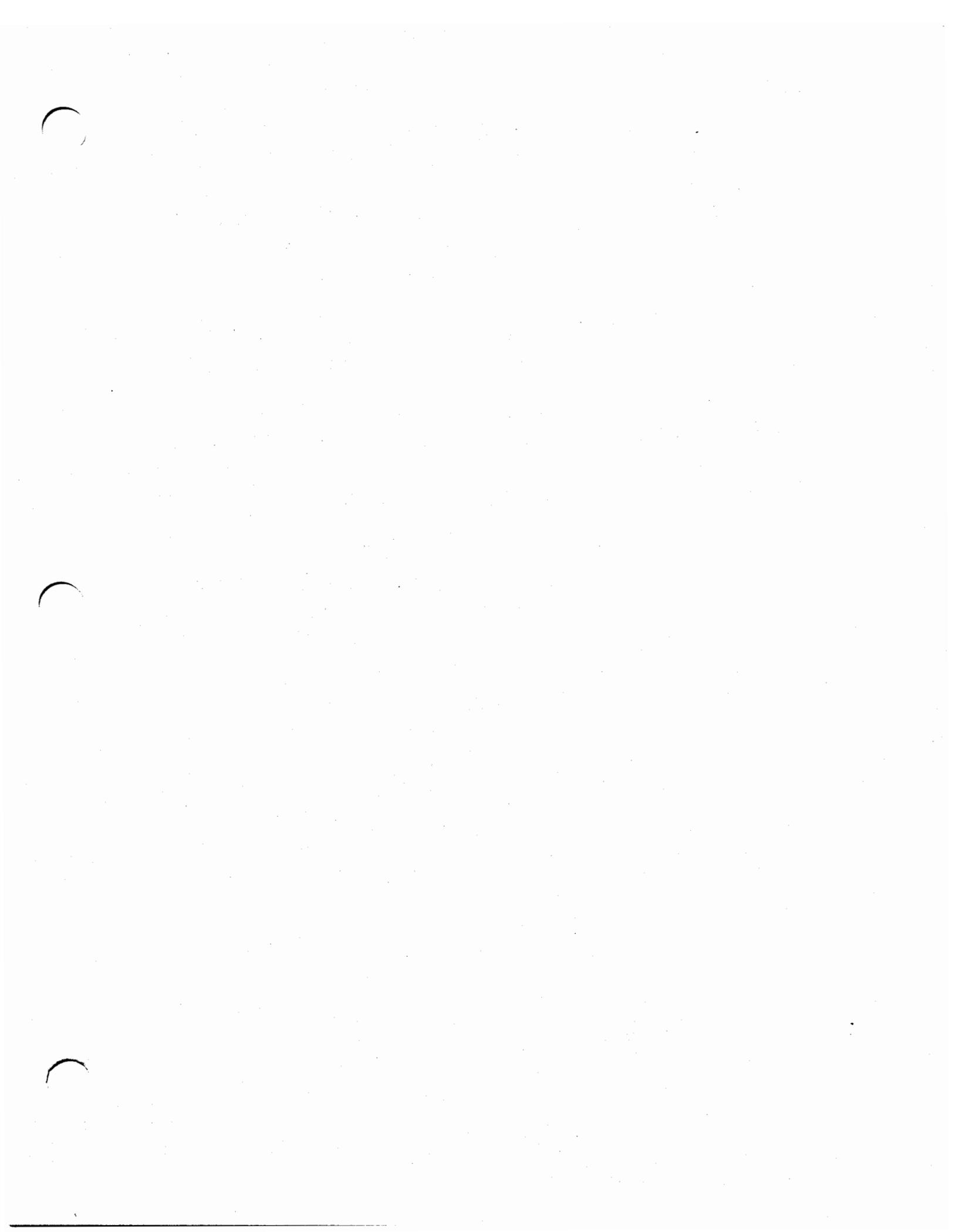
Sincerely,

BOROUGH OF NAUGATUCK


Judith E. Crosswait
Borough Clerk

cc: J. Pruchnicki/M. Kempa/File

wp/J/mayorburg/1s11696



Naugatuck - Oxford

wpai

AGREEMENT

THIS AGREEMENT, made as of 20th day of May 1987, by and between the Water Pollution Control Board of the Borough of Naugatuck, acting herein through its Chairman, James F. McGrath, by vote of the Water Pollution Control Board on (hereinafter referred to as "Naugatuck") and the Town of Oxford, a municipal corporation incorporated by the General Assembly of the State of Connecticut, acting herein by the Honorable William J. Stakum, its First Selectman and the Oxford Sewer Authority, acting herein by its Chairman, William Griffin, (hereinafter referred to as "Oxford").

WITNESSETH:

WHEREAS, Naugatuck is the owner of a sewage system comprised of intercepting sewer lines and a treatment plant;

WHEREAS, said treatment system presently treats effluent from the Town of Naugatuck, the Town of Middlebury and Uniroyal, Inc.;

WHEREAS, the Town of Oxford recognizes that in order to attract industry into its area it must have a sewage system available to accept sewage from industry;

WHEREAS, the Town of Naugatuck desires to increase the employment in the area by accepting sewage from industry which located in the Town of Oxford;

NOW, THEREFORE, it is hereby agreed between Naugatuck and Oxford as follows:

ARTICLE I

Naugatuck and Oxford agree, subject to the provisions of this Agreement, that the only sewage which shall be discharged into the Naugatuck sewage system shall come from the following industries:

- a) Manufacturing;
- b) Assembly of goods;
- c) Warehousing;
- d) Distribution facilities; and
- e) Corporate offices.

ARTICLE II

No sewage shall be discharged from any residential or commercial users into the Naugatuck Sewage System by Oxford.

ARTICLE III

Oxford may discharge up to 1 million gallons a day of average daily flow for any twenty four hour period. Additionally, the peak flow for any one hour period shall not exceed 2.5 mgd.

ARTICLE IV

Oxford agrees to tie its sewer into Naugatuck's sewer system in the location designated on Exhibit "A".

The design of Oxford's sewer system (including metering and sampling devices) shall be approved by Malcolm Pirnie, Inc., consulting engineers for the Borough of Naugatuck. The cost for such review shall be paid by Oxford.

Sewage devices for metering and sampling acceptable to Naugatuck shall be constructed in the Town of Oxford before any flow is discharged to Naugatuck. The Oxford metering station will be located in Oxford, in the vicinity of the Bridle Trail and Griswold Road.

The cost of connecting the Oxford Sewer to and into Naugatuck's sewage system, all costs for sewer construction within Oxford and Naugatuck, and all costs for construction of sewage devices for metering and sampling shall be borne by Oxford. Additionally, Oxford shall be responsible for the cost of operation, maintenance and repair of said sewer system.

The sewer construction shall conform to general good practice so as to minimize ground water infiltration and to exclude storm water entrance into the system.

Oxford and Naugatuck shall have access to said meters and sampling devices at all times for purpose of inspection, reading and testing. Oxford will adjust, repair or replace said meters and sampling devices as necessary to insure accurate measurement of quantity and quality of such flow.

ARTICLE V

At the expense of Oxford, Naugatuck will require its engineers to evaluate Reach I and Reach II (in those areas shown on Exhibit "A" attached hereto and made a part hereof) to determine whether repair, replacement or improvements are required to all or portions of the subject Reaches. The engineering evaluation will occur at the following points:

1. When Oxford's contribution is .25 MGD;
2. When Oxford's contribution is .50 MGD;
3. When Oxford's contribution is .75 MGD; and
4. When Oxford's contribution is 1.00 MGD

Based upon these engineering evaluations, Naugatuck may re-

quire Oxford to repair, replace or improve all or portions of the subject Reaches. Oxford shall perform this to the satisfaction of and in a manner and time schedule determined by Naugatuck. Oxford shall bear all engineering, construction and inspection costs incurred for said work.

ARTICLE VI

Oxford shall pay the sum of \$225,000.00 upon signing this Agreement, the receipt of which is hereby acknowledged. A schedule of payments Oxford is to make are set forth on Schedule "B" attached hereto and made a part hereof. All payments shall be made payable to Naugatuck Treatment Company unless the Naugatuck Water Pollution Board designates a different payee at a future point in time. The sums received from Oxford shall be disbursed according to the terms set forth on Schedule "B".

ARTICLE VII

In the event Oxford fails to make any monthly payment within fifteen (15) days after its due date, Naugatuck shall be paid a penalty charge of twenty (20%) percent of any overdue monthly payment. Oxford shall be in default of this Agreement if each monthly payment is not made within thirty (30) days after its due date.

ARTICLE VIII

It is mutually agreed that this Agreement shall remain in full force and effect for a period of twenty (20) years from date hereof at which time this Agreement shall terminate. However, it is agreed that on the first day of the fifteenth year of this Agreement Naugatuck shall present to Oxford a reasonable proposed Agreement with the time period, price and other terms it deems appropriate. In proposing another price that Oxford is to pay during the next term, Naugatuck may, in addition to other facts that it deems appropriate, evaluate the following factors; (all of the factors considered by Naugatuck should logically be related to Oxford's proportionate lease of the sewage system capacity)

- a) The market value of the Naugatuck Treatment Plant and the intercepting sewer lines that service the Town of Naugatuck;
- b) The cost of operation and maintenance of the Naugatuck Treatment Plant and its intercepting sewer pipes;
- c) The capital expenditures for modifications that were made at the Naugatuck Treatment Plant;
- d) The effects that changes or proposed changes of governmental regulations have or are anticipated to have on the cost of running, replacing, or improving Naugatuck's sewage system and the Naugatuck Treatment Plant;
- e) The cost of construction of a sewage system in Oxford

to treat the one million m/g/d;

f) The percentage of plant capacity utilized by Oxford as related to the plant design capacity (10.3 m/g/d);

g) The cost other towns pay for similar service rendered by Naugatuck provided such towns begin receiving such service after signing of this Agreement;

h) The annual cost and cost history of operating the Naugatuck Treatment Plant and the sewage system; and

i) Such other factors that Naugatuck deems appropriate.

After Naugatuck proposes a new Agreement to Oxford, it (Oxford) shall have a one year period from the date of such proposal to accept or reject Naugatuck's proposal or to negotiate other terms acceptable to Naugatuck and to sign a new Agreement with Naugatuck. In the event Oxford does not execute a new written Agreement within one year of Naugatuck's proposal, Oxford may extend this Agreement for an additional one year period beyond the period of this Agreement which is to terminate twenty (20) years from date provided it pays the new service charge established by Naugatuck. However, Oxford agrees that it shall disconnect its sewage system from Naugatuck's sewage system if Oxford does not execute a new contract within said one year period. This disconnection shall take place twenty years from the date of this Agreement or after such one year extension period whichever occurs later. In the event Naugatuck institutes a court action to compel Oxford to disconnect its sewage system because Oxford is unwilling to do so, all court costs and attorney's fees incurred by Naugatuck shall be borne by Oxford. However, nothing herein shall limit Naugatuck from exercising any other legal rights available to it.

In addition, if Oxford initiates a court action of any kind to prevent Naugatuck from stopping the treatment of its wastewater, Oxford shall pay Naugatuck all court costs including attorney's fees incurred by it which arise out of such action.

ARTICLE IX

Oxford shall comply with all rules, ordinances and regulations of Naugatuck in existence or thereafter amended or modified as well as all Federal and State laws and all regulations of any governmental agency.

ARTICLE X

All users in the Town of Oxford shall follow and comply with the following procedures prior to connecting into Oxford's sewage system:

a) The prospective discharger shall formally apply in writing to both the Water Pollution Control Board of Naugatuck and Oxford and the Department of Environmental Protection for permission to discharge to the system. Application shall be made

simultaneously or in any order desired by the prospective discharger;

b) Naugatuck Treatment Company shall give its recommendation concerning the treatability of such wastewater to the Water Pollution Control Boards of Oxford and Naugatuck;

c) Discharge may not commence until formal written approval and/or permit has been obtained from the three parties: Department of Environmental Protection, Water Pollution Control Board of Naugatuck and the Naugatuck Treatment Company; and

d) The Town of Oxford shall indemnify and save harmless the Borough of Naugatuck and the Water Pollution Control Board of the Borough of Naugatuck, Town of Middlebury and Uniroyal Chemical from all claims, liabilities, loss or damage to person and/or property, attorney's fees and judgement including any fines and/or penalties levied by any governmental agency because said wastewater from Oxford caused a violation of any governmental regulation, law or permit.

This procedure shall also be followed when any discharger thereafter changes the quality or quantity of its effluent.

ARTICLE XI

Oxford shall also provide Naugatuck with all governmental approvals and permits concerning any industry that desires to tie into Oxford's sewer system prior to the connection and discharge of effluent by such industry into the sewage system. Oxford shall also prohibit the connection of any industry into the sewer system until such approvals and permits are received by it. All users shall be required to update their own waste treatment process at their own cost as required by modifications of regulations of the Town of Naugatuck, the State of Connecticut and the Federal Government.

All reapprovals and permits shall also be obtained by any industry that thereafter changes the quantity or quality of its discharge into the sewage system. Oxford shall not allow the discharge of effluent of any industry which changes the quality or quantity of effluent until the necessary governmental approvals and permits are obtained and Naugatuck and Oxford are in possession of such approvals.

In addition, Oxford shall not discharge any effluent which shall prevent or impede Naugatuck from meeting the terms of its N.P.D.E.S. permits. In the event Naugatuck determines that the wastewater from Oxford is of an unusual character, it shall assess Oxford an additional cost for treatment unless Oxford reduces the strength or unusual characteristics of such wastewater.

ARTICLE XII

Oxford shall not assign any portion of this Agreement to any other entity outside of its present borders.

ARTICLE XIII

Nothing in this Agreement shall be construed to give Oxford any property rights in Naugatuck's sewer system.

ARTICLE XIV

Nothing in this Agreement shall be used or construed as to give any user, of the sewage system in Oxford, the status of a third party beneficiary to this Agreement.

ARTICLE XV

Naugatuck shall not be liable to Oxford for delay or failure in performing its Agreements hereunder when and to the extent that such delay or failure is attributable to acts of God, strikes, fires, floods, compliance with laws, acts, rules or regulations, or requests of any legitimate governmental authority, war, accidents, breakdown of facilities, or other causes beyond the reasonable control of the parties, whether or not similar to those enumerated or within the contemplation of the parties at the effective date hereof.

ARTICLE XVI

In the event this Agreement, or any part thereof, is determined to be invalid, that determination shall not be considered to affect the remaining portion of this Agreement as to those sections which are not related to said section or part thereof.

ARTICLE XVII

If there should be any dispute between the parties arising out of the performance of this Agreement or as to the interpretation and application of any of the provisions thereof, the following procedures shall apply:

1) The parties shall meet within ten (10) days after written notice of the dispute in an attempt to resolve the dispute;

2) In the event such meeting does not resolve the dispute, then the parties shall proceed to arbitration in accordance with the rules of the American Arbitration Association then in effect. The arbitration decision shall be advisory only and not binding upon the parties.

It is intended that the above procedures will give the parties a full opportunity to resolve their differences. Therefore, no party to this Agreement shall engage in any failure to fully perform this Agreement and no legal or equitable court proceedings shall commence until fifteen (15) days after receipt of the

advisory arbitration decision, except that, if any party fails to continue complete performance of this Agreement while the above procedures are continuing, an injunction may be secured to compel complete performance until fifteen (15) days after receipt of said decision.

ARTICLE XVIII

This Agreement sets forth the entire understanding and Agreement between the parties respecting the subject matter hereof.

SCHEDULE "B"
(Schedule of Oxford Payments)

1. \$225,000.00- On signing of this Agreement by Oxford receipt of which is hereby acknowledged which covers the period April 1, 1987 to March 31, 1988.
2. \$285,000.00- For the Annual payment commencing April 1, 1988 and terminating on March 31, 1989.
3. \$345,000.00- For the Annual payment commencing April 1, 1989 and terminating March 31, 1990.
4. \$405,000.00- For the Annual payment commencing April 1, 1990 and terminating March 31, 1991.
5. \$450,000.00- For the annual payments each and every year commencing April 1, 1991 and terminating March, 2007.

All annual payments, other than the first annual payment, shall be due and payable on June 1 of each and every year thereafter.

NOTE: (Allocation of Oxford Payments)

\$120,000.00 of the amount paid upon signing this Agreement and \$120,000.00 of each Annual payment shall be forwarded to the Borough of Naugatuck, Water Pollution Control Board. These funds shall be used each year for the following items:

1) Water Pollution Control Board budgeted line items in a manner and in such amounts as determined at the discretion of the Water Pollution Control Board;

2) Reserve funds for proposed sanitary sewer construction projects;

3) Outstanding bond indebtedness for sanitary sewer construction; and

4) Outstanding bond indebtedness for the construction of the Naugatuck Waste Treatment Facility.

The balance of all funds received from Oxford shall be allocated each year in the following manner:

a) First, such funds shall be used to offset fixed and/or variable operating expense of the Naugatuck Waste Treatment Facility directly attributable to treatment of Oxford's wastewater;

b) Secondly, all funds in excess of those attributable to fixed and/or variable operating expense attributable to treatment of Oxford's wastewater shall be placed in a Capital Reserve Account by Naugatuck Treatment Company to be used for capital expenditures at the Treatment Plant or other costs associated with Treatment Plant operations as determined by the Water Pollution Control

Board.

Capital Reserve Account Funds shall not be redistributed to the contracting parties (Uniroyal Chemical Co. Inc., The Borough of Naugatuck, The Town of Middlebury) unless existing contracts modified to provide for said redistribution.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective representatives duly authorized as of the day and year first above written.

ATTEST:

John A. Turchi
George A. Rasmussen

BOROUGH OF NAUGATUCK
WATER POLLUTION CONTROL BOARD

BY: James F. McGrath
James F. McGrath, Its Chairman

ATTEST:

Paul J. ...
Roger D. ...

THE TOWN OF OXFORD

BY: William J. ...
Its First Selectman

ATTEST:

Joan ...
Joan ...

THE TOWN OF OXFORD

BY: William D. Griffin Chairman
William Griffin, Chairman of the
Oxford Water Pollution Control
Authority

AMENDMENT TO AGREEMENT

THIS AMENDMENT TO AGREEMENT, made as of the 31st day of July, 1991, by and between the WATER POLLUTION CONTROL BOARD, of the Borough of Naugatuck, acting herein through its Chairman, James F. McGrath, (hereinafter referred to as "Naugatuck") and the TOWN OF OXFORD, a municipal corporation incorporated by the General Assembly of the State of Connecticut, acting herein by Raymond L. Drapko, its First Selectman, and the OXFORD WATER POLLUTION CONTROL AUTHORITY, acting herein by its Chairman, William D. Griffin (hereinafter referred to as "Oxford").

W I T N E S S E T H:

WHEREAS, as of May 20, 1987, the parties hereto executed and delivered an agreement (the "Agreement") with respect to treatment of sewage in the Naugatuck sewage system, as more fully set forth in said Agreement; and

WHEREAS, the parties hereto wish to amend certain provisions of that Agreement;

NOW, THEREFORE, in consideration of the mutual agreement set forth herein, it is hereby agreed between Naugatuck and Oxford as follows:

1. Article II of the Agreement is amended to read as follows:

"No sewage shall be discharged from any residential or commercial users into the Naugatuck sewage system by Oxford, with the exception of those properties located in an

industrial zone under the Oxford Zoning Regulations, from which residential units presently existing on such property may connect to the sewage system and discharge under this Agreement". (Changes underline for purposes of this Amendment).

2. Article X, subparagraph "A." of the Agreement is amended to read as follows:

"A. The prospective discharger shall formally apply in writing to both the Water Pollution Control Board of Naugatuck and Oxford and the Department of Environmental Protection (but only if such Department's approval is specifically required by such Department's regulations for industrial discharges) for permission to discharge to the system. Application shall be made simultaneously or in any order desired by the prospective 'discharger;"

3. Article X, subparagraph "C." is amended to read as follows:

" Discharge may not commence until formal written approval and/or permit has been obtained from the three parties, Department of Environmental Protection (but only if such Department's approval is specifically

required by the regulations of such
Department for industrial discharges), Water
Pollution Control Board of Naugatuck and the
Naugatuck Treatment Company;" and

4. The other provisions of the Agreement remain unmodified
and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement
to be executed by their respective representatives, duly
authorized, as of the day and year first above written.

Witnessed by:

Maryann P. Kempa
[Signature]

John Barnes
[Signature]

BOROUGH OF NAUGATUCK
WATER POLLUTION CONTROL BOARD

By: James F. McGrath
James F. McGrath
Its Chairman

TOWN OF OXFORD

By: [Signature]

Its First Selectman

TOWN OF OXFORD, WATER
POLLUTION CONTROL AUTHORITY

By: William D. Griffin
William D. Griffin
Its Chairman

AMENDMENT TO AGREEMENTTOWN OF OXFORD

THIS AMENDMENT TO AGREEMENT made as of the 21st day of March, 1996, by and between the Water Pollution Control Board of the Borough of Naugatuck, acting herein through its Chairman, James F. McGrath, by vote of the Water Pollution Control Board on March 21, 1996 (hereinafter referred to as "Naugatuck"), and the Town of Oxford, a Connecticut Municipal Corporation, acting herein by the Honorable KATE COSGROVE, its First Selectwoman and the Oxford Water Pollution Control Authority, acting herein by its Chairman, William Griffin, (hereinafter referred to as "Oxford");

WITNESSETH:

WHEREAS; as of May 20, 1987, Naugatuck and Oxford executed and delivered a twenty year Agreement and amended said Agreement on July 31, 1991 concerning the discharge and treatment to the Naugatuck Sewage System by Oxford, subject to certain terms and conditions as set forth in the Agreement (hereinafter referred to as the "Sewer Agreement"); and

WHEREAS; the sewer Agreement set out a term of twenty (20) years;

WHEREAS; Naugatuck and Oxford desire to extend the Sewer Agreement beyond the twenty year period;

WHEREAS; Naugatuck and Oxford set out a schedule of payments on Schedule "B" of the Sewer Agreement; and

WHEREAS; Naugatuck and Oxford desire to create a new schedule of payments.

Now, THEREFORE, in consideration of the mutual Agreements herein contained, Naugatuck and Oxford agree as follows:

- 1) The Sewer Agreement is extended for another fifteen year period which means said Agreement will now terminate on March 31, 2023.
- 2) Naugatuck and Oxford hereby agree to a new Schedule of Payments on Schedule "B" 2 (attached) hereto and made a part hereof.
- 3) All other provisions of the Sewer Agreement and Amendment shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective representatives, duly authorized, as of the day and year first above written.

SCHEDULE "B" 2

1. \$331,579.00, each year for the annual payments commencing April 1, 1996 and terminating March 31, 2008.
2. \$450,000.00 each year for the annual payments commencing April 1, 2008 and terminating March 31, 2023.

All annual payments, other than the first annual payment, shall be due and payable on June 1 of each and every year thereafter.

NOTE: (Allocation of Oxford Payments)

\$120,000.00 of the amount paid upon signing this Agreement and \$120,000.00 of each Annual payment shall be forwarded to the Borough of Naugatuck, Water Pollution Control Board. These funds shall be used each year for the following items:

- 1) Water Pollution Control Board budgeted line items in a manner and in such amounts as determined at the discretion of the Water Pollution Control Board;
- 2) Reserve funds for proposed sanitary sewer construction projects;
- 3) Outstanding bond indebtedness for sanitary sewer construction; and
- 4) Outstanding bond indebtedness for the construction of the Naugatuck Waste Treatment Facility.

The balance of all funds received from Oxford shall be allocated each year in the following manner:

- a) First, such funds shall be used to offset fixed and/or variable operating expense of the Naugatuck Waste Treatment Facility directly attributable to treatment of Oxford's wastewater;
- b) Secondly, all funds in excess of those attributable to fixed and/or variable operating expense attributable to treatment of Oxford's wastewater shall be placed in a Capital Reserve Account by Naugatuck Treatment Company to be used for capital expenditures at the Treatment Plant or other costs associated with Treatment Plant operations as determined by the Water Pollution Control Board.

Capital Reserve Account Funds shall not be redistributed to the contracting parties (Uniroyal Chemical Co. Inc., The Borough of Naugatuck, The Town of Middlebury) unless existing contracts are modified to provide for said redistribution.

TOWN OF OXFORD
SCHEDULE OF PAYMENTS

Exhibit B

<u>Month / Year</u>	<u>Payment Due</u>	<u>Year #</u>
June 1, 1987	225,000	1
June 1, 1988	285,000	2
June 1, 1989	345,000	3
June 1, 1990	405,000	4
June 1, 1991	450,000	5
June 1, 1992	450,000	6
June 1, 1993	450,000	7
June 1, 1994	450,000	8
June 1, 1995	450,000	9

June 1, 1996	331,579	10
June 1, 1997	331,579	11
June 1, 1998	331,579	12
June 1, 1999	331,579	13
June 1, 2000	331,579	14
June 1, 2001	331,579	15
June 1, 2002	331,579	16
June 1, 2003	331,579	17
June 1, 2004	331,579	18
June 1, 2005	331,579	19
June 1, 2006	331,579	20
June 1, 2007	331,579	21

June 1, 2008	450,000	22
June 1, 2009	450,000	23
June 1, 2010	450,000	24
June 1, 2011	450,000	25
June 1, 2012	450,000	26
June 1, 2013	450,000	27
June 1, 2014	450,000	28
June 1, 2015	450,000	29
June 1, 2016	450,000	30
June 1, 2017	450,000	31
June 1, 2018	450,000	32
June 1, 2019	450,000	33
June 1, 2020	450,000	34
June 1, 2021	450,000	35
June 1, 2022	450,000	36

WITNESSED BY:

[Signature]
David Keeler

Paul T. Schuster
Charles Lyons

Paul T. Schuster
Charles Lyons

BOROUGH OF NAUGATUCK
WATER POLLUTION CONTROL BOARD

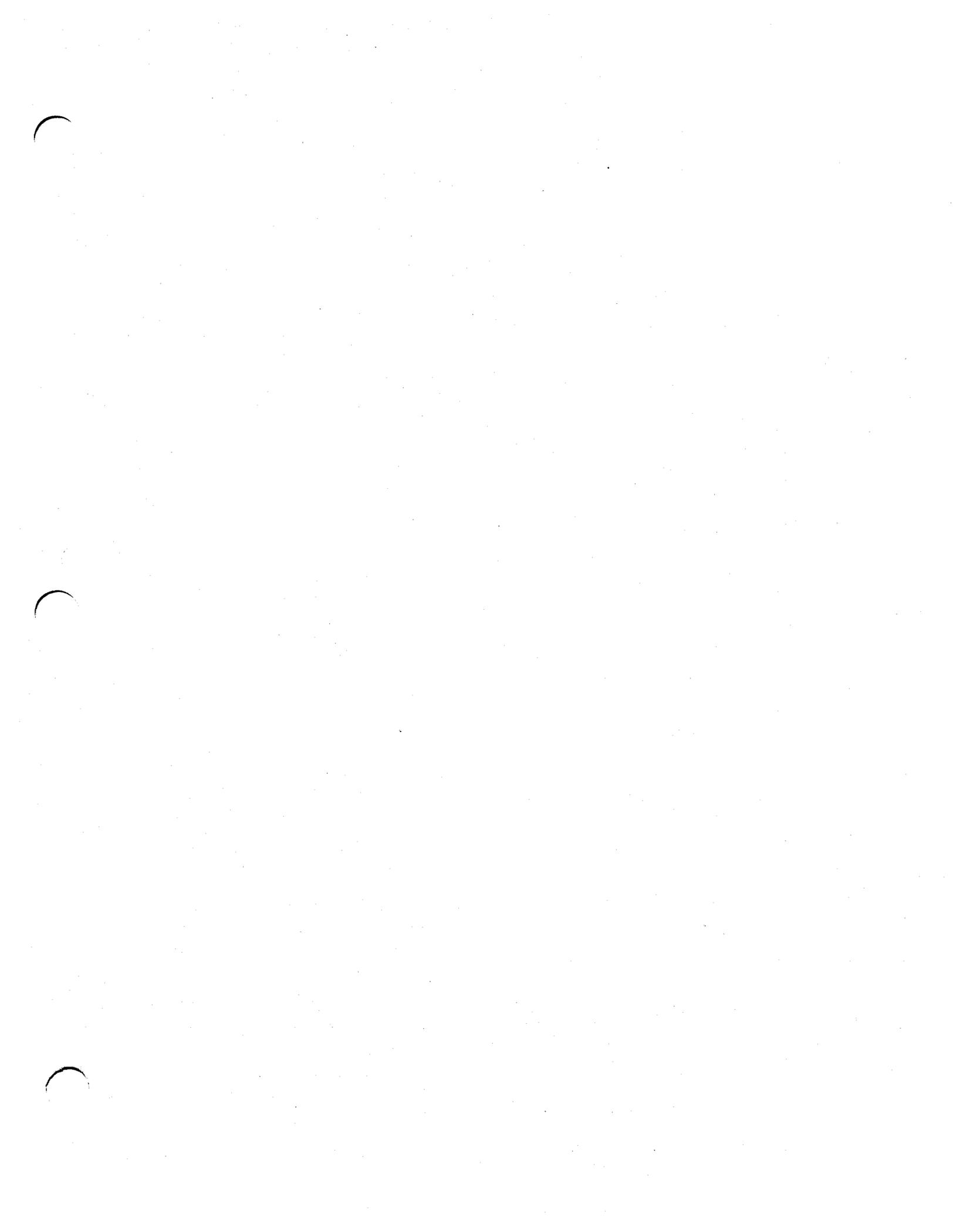
BY: *James F. McGrath*
JAMES F. MCGRATH
ITS CHAIRMAN

THE TOWN OF OXFORD

BY: *Kate Cosgrove*
KATE COSGROVE
FIRST SELECTWOMAN

THE TOWN OF OXFORD
WATER POLLUTION CONTROL
AUTHORITY

BY: *William Griffen*
WILLIAM GRIFFEN
ITS CHAIRMAN



Beacon Falls
Executed Signed
Agreement
Between
Towns
only

A G R E E M E N T

THIS INDENTURE, by and between BOROUGH OF NAUGATUCK,
TOWN OF BEACON FALLS, WATER POLLUTION CONTROL BOARD and
SEWER AUTHORITY OF THE TOWN OF BEACON FALLS, all located in the
County of New Haven, State of Connecticut, WITNESSETH, as follows:

WHEREAS, Borough of Naugatuck, by its former Sewer Authority
has laid sanitary sewer pipe in Beacon Valley Road, Summerfield Street and
Hillview Street in Beacon Falls, Connecticut, by permission of the Town of
Beacon Falls, Connecticut, through an easement dated March 27, 1967, re-
corded in Beacon Falls Land Records, Volume 29, Page 139, and

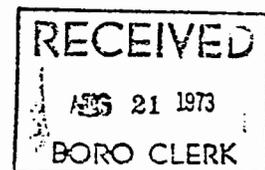
WHEREAS, said pipe was laid in Beacon Falls as part of a new
trunk line sanitary sewer system of the Borough of Naugatuck because of its
greater convenience and benefit to the Borough of Naugatuck and in order to
save costs of installation, and

WHEREAS, said easement contained as one of the conditions
"that residents of the Town of Beacon Falls shall be allowed to tie-in or
connect, with said sanitary sewer system subject to the approval of and at
a rate of assessment to be determined by the respective Sewer Authorities
of said Town of Beacon Falls and the Borough of Naugatuck," and

WHEREAS, difficulties have arisen among the parties hereto,
as to liability for costs of installation, repair of roads, assessment to
reimburse costs and under what conditions landowners in Beacon Falls have
the right to tie-in to said sanitary sewer system,

HENRY S. MARLOR, JR.
Attorney-at-Law
185 Meadow Street
NAUGATUCK, CONN. 06460

- 1 -



NOW THEREFORE, the parties do mutually agree as follows:

1. Borough of Naugatuck and Water Pollution Control Board, successor in interest of the Sewer Authority of the Borough of Naugatuck agree to install, operate, maintain, renew, replace and repair said sanitary sewer pipes covered by said easement without reimbursement from the Town of Beacon Falls or its Sewer Authority, and it is hereby agreed that no monies or sums of money are due or will be due from the Town of Beacon Falls to the Borough of Naugatuck as a result of the installation, operation, maintenance, renewal, replacement and repair of said sanitary sewer pipes.

2. Town of Beacon Falls and its Sewer Authority agree that said sewer lines and laterals to adjoining properties may be installed, operated, maintained, renewed, replaced and repaired without molestation, and does for itself relinquish all claims to said sewer lines or to make assessments or to collect monies from any landowners tying into said sewer lines, it being deemed in the best interest of all parties concerned that Naugatuck have complete control over said sewer system and pipes rather than Beacon Falls.

3. Borough of Naugatuck and Water Pollution Control Board further agree that any landowners wishing to tie into said line shall be allowed to do so upon payment of charges fixed by said Water Pollution Control Board of the Borough of Naugatuck, which payment shall be calculated

FRED S. MARLOR, JR.
Attorney at Law
189 Meadow Street
NAUGATUCK, CONN. 06470

with respect to single family residential dwellings in Beacon Falls on the same basis as comparable properties are assessed on the same sewer line in the Borough of Naugatuck, and it is further agreed that with respect to any dwelling or dwellings for two or more families, apartment houses, condominiums or other multiple dwelling units or commercial or industrial users other than single family units due to the recognized more intensive use of the Naugatuck Sewerage System by said multiple dwelling units, and commercial and industrial users, the Borough of Naugatuck may fix such charges as it in its sole and absolute discretion may determine.

4. Borough of Naugatuck and Water Pollution Control Board agrees to be responsible for all repairs to said public roads hereinbefore mentioned, but without the necessity of posting any bond arising out of its use for said sewer lines, and Town of Beacon Falls and its Sewer Authority agree that adjoining landowners making agreements with Borough of Naugatuck and/or Water Pollution Control Board for tie-in privileges to said main lines shall have the right to dig in said public roads without interference from it or them, to install any or all necessary lateral connections, provided that any adjoining landowner in Beacon Falls shall post a necessary bond or bonds as required by the ordinances of the Town of Beacon Falls.

5. The parties do agree that landowners shall not be compelled to tie into said sewer lines, unless ordered or compelled by some governmental regulation, governmental agency or statute, but said landowners shall have the right to tie in by paying proper charges by agreement with the Borough of

HENRY S. MARLOR, JR.
Attorney at Law
183 Meadow Street
NAUGATUCK, CONNECTICUT

Naugatuck and/or Water Pollution Control Board. The consent to tie in shall not be given unless and until an agreement has been reached between the landowner effected and the Borough of Naugatuck or Water Pollution Control Board, and the same reduced to writing.

6. The Borough of Naugatuck agrees that in the event it is necessary for it to excavate any part of the road system of the Town of Beacon Falls under which said easements lie, that it will replace any pavement, curbing or the like after completion of the work in as nearly the same condition as it existed prior to said excavation.

7. The Borough of Naugatuck shall be protected from any charges levied by the Town of Beacon Falls for the ownership and operation of a public utility within its boundary.

8. It should be agreed that any landowners from Beacon Falls tying into the sewer line shall be subject to all existing and future Borough Ordinances pertaining to sewers.

9. It should be agreed that any multiple dwelling or establishment other than residential shall be required in the discretion of the Water Pollution Control Board to install a metering devise.

10. This agreement shall be binding upon the parties hereto, and their heirs, successors and assigns.

HENRY S. MARLOR, JR.
Attorney-at-Law
151 Meadow Street
NAUGATUCK, CONN. 06470

Dated at Naugatuck, Connecticut, this 8th day of August, 1973

Signed, Sealed and Delivered
In The Presence Of:

Janet C. Miller BOROUGH OF NAUGATUCK
By William C. Kelly (L.S.)
Hail N. Baurman Village

John J. DeLoach TOWN OF BEACON FALLS
By James P. ... (L.S.)
James G. ...

WATER POLLUTION CONTROL BOARD
M. ... By James L. Mc ... (L.S.)
James C. ...

SEWER AUTHORITY OF THE
TOWN OF BEACON FALLS
William ... By William ... (L.S.)
William ... ITS CHAIRMAN

HENRY S. MARLOR, JR.
Attorney-at-Law
181 Meadow Street
NAUGATUCK, CONN. 06460

STATE OF CONNECTICUT
COUNTY OF NEW HAVEN

ss.: Naugatuck, August 8th, 1973

Personally appeared William C. Rader, Mayor of the
Borough of Naugatuck, signer and sealer of the foregoing instrument and
acknowledged the same to be his free act and deed and the free act and deed
of said Borough of Naugatuck, before me,

James S. Miller
Notary Public - Naugatuck, Conn.

STATE OF CONNECTICUT
COUNTY OF NEW HAVEN

ss.: Beacon Falls, July 26, 1973

Personally appeared James P. Greene, First Selectman
of the Town of Beacon Falls, signer and sealer of the foregoing
instrument and acknowledged the same to be his free act and deed and the
free act and deed of said Town of Beacon Falls, before me,

Francis Y. Dorian - Notary Public
Francis Y. Dorian - My Com. Exp. 3/31/78

STATE OF CONNECTICUT
COUNTY OF NEW HAVEN

ss.: Beacon Falls, July 26, 1973

Personally appeared REYNOLD E. FITZPATRICK, CHAIRMAN
of the Sewer Authority of the Town of Beacon Falls, signer
and sealer of the foregoing instrument and acknowledged the same to be his
free act and deed and the free act and deed of said Sewer Authority of the
Town of Beacon Falls, Before me,

Joseph P. Flynn
JOSEPH P. FLYNN
COMMISSIONER OF SUPERIOR COURT
NEW HAVEN COUNTY
- 6 -

HENRY S. MARLOR, JR.
Attorney-at-Law
185 Meadow Street
NAUGATUCK, CONN. 06470

STATE OF CONNECTICUT
COUNTY OF NEW HAVEN

ss.: Naugatuck, August 21, 1973

Personally appeared James F. McGrath, Chairman
_____ of the Water Pollution Control Board, signer and sealer of the

foregoing instrument and acknowledged the same to be his free act and deed
and the free act and deed of said Water Pollution Control Board, before me,

Peter Fotolori, Jr.
Commissioner of Superior Court

Seymour Trust Company

(TO)

Gugliuzza, Isabel G. (aka) Guluzy, Isabel

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME--GREETING:

KNOW YE, That the Seymour Trust Company, a duly chartered Corporation located and doing business in the Town of Seymour, County of New Haven, State of Connecticut, does hereby release and discharge certain mortgage from ISABEL G. GUGLIUZZA a.k.a. ISABEL GULUZY, of the Town of Beacon Falls, County of New Haven and State of Connecticut, to the said Seymour Trust Company, dated September 20, 1963 and recorded in the Land Records of the Town of Beacon Falls in the County of New Haven and State of Connecticut, Vol. 28 Page 547.

IN WITNESS WHEREOF, The Seymour Trust Company hath caused this release to be executed and delivered and its corporate seal to be hereto affixed in its behalf by its agent duly authorized and empowered this 26th day of April, 1967.

Signed, Sealed and Delivered in presence of /s/ HELEN D. BUSHNER /s/ ROBERT W. SCHNEIDER, JR.

THE SEYMOUR TRUST COMPANY Seymour, Conn. Its /s/ EARL B. BOIES - President (Corporate Seal Affixed)

STATE OF CONNECTICUT) ss. Seymour, April 26, 1967 COUNTY OF NEW HAVEN,)

Personally appeared Earl B. Boies President, and Agent as aforesaid, Signer and Sealer of the foregoing instrument, and acknowledged the same to be his free act and deed, and the free act and deed of said Company, before me.

/s/ ROBERT W. SCHNEIDER, JR. Notary Public

(Notary Seal Affixed)

Received for record April 26th, 1967 at 7:30 P.M. and recorded by:

[Signature] Town Clerk

B.F. Land Records Vol 29 Pg. 139

EASEMENT (Beacon valley Road Sewer Line)

Beacon Falls, Town of Tel. Office 4405

(to)

Naugatuck, Borough of, The Res. 7523

FRANCIS X. DOIRON Town Clerk Beacon Falls, Conn.

April 10, 1967

Borough of Naugatuck Naugatuck, Connecticut Office of Borough Clerk Cecil H. Grant

RE: Easement for Sewer Line

Dear Sir:

The following is an excerpt taken from the minutes of a special town meeting duly called and held in this Town of Beacon Falls on February 6th, 1967:

MOTION: introduced by Raymond Doiron and acknowledged by Richard T. Johns:

"That the Town of Beacon Falls through its Board of Selectmen grant an easement to the Town of Naugatuck to lay a sewer line through Beacon Falls wherein the project is mapped through Beacon Valley Road covering approximately 4600 feet in the Beacon Falls area." Passed Unanimously.

Certified to be a true copy of the motion.

/s/ Francis X. Doiron Town Clerk Beacon Falls, Conn.

(Town Seal Affixed)

EASEMENT

KNOW ALL MEN BY THESE PRESENTS, That the TOWN OF BEACON FALLS, a municipal corporation duly chartered under the laws of the State of Connecticut, acting herein by and through its Board of Selectmen, duly authorized, for One Dollar (\$1.00) and a valuable consideration, receipt whereof is hereby acknowledged, does hereby grant THE BOROUGH OF NAUGATUCK, a municipal corporation duly chartered under the laws of the State of Connecticut, its successors and assigns, the permanent right to install, operate, maintain, renew, replace and repair a line of sanitary sewer pipes with such appurtenances, as are from time to time needed for conveyance of sanitary sewer water and together with the right to enter in connection therewith, all under, over and across the Grantor's land in Town of Beacon Falls, County of New Haven, and State of Connecticut, described as follows:

FIRST EASEMENT Beginning at the intersection of Beacon Valley Road with the Naugatuck-Beacon Falls Town Line, said point being at the center line of Beacon Hill Brook and the center line of Beacon Valley Road at the center of the Cotton Hollow Bridge; Thence running along the center of Beacon Valley Road travelway a distance of 4900 feet (more or less) southerly, easterly, southeasterly, easterly and northeasterly to the intersection of the center of the travelway of said Beacon Valley Road with the Naugatuck-Beacon Falls Town Line near Olson's Bridge.

The above described line is the centerline of a sanitary sewer easement, the northerly and southerly lines of said right of way for sanitary sewer are the same as the right of way lines for Beacon Valley Road.

SECOND EASEMENT Beginning at the centerline of Summerfield Street with the Town Line of Naugatuck-Beacon Falls;

Thence running southerly, easterly, and northeasterly, a distance of 1000 feet (more or less) along the centerline of Summerfield Street to the intersection with the Beacon Falls-Naugatuck Town Line.

The above described line is the centerline of a sanitary sewer easement, the sides of said easement are parallel and the width of said easement is the same as the width of Summerfield Street.

THIRD EASEMENT Beginning at the intersection of the centerline of Hillview Street with the Naugatuck-Beacon Falls Town Line;

Thence running along the centerline of said Hillview Street in a southerly direction a distance of 150 feet (more or less) to Summerfield Street.

The above described line is the centerline of a sanitary sewer easement, the width of said easement is the width of Hillview Street.

(CONTINUED)

(Continued from Page 139)

Any part herein described or granted or any interest therein or part thereof may be assigned to any assignee or assignees by the Grantee or its successors and assigns, and the Grantor, for itself its successors and assigns, hereby agrees to and does ratify any such assignment or assignments. HAVE AND TO HOLD the said granted and bargained easements, privilege, and rights of way and appurtenances to the said Grantee and to its successors and assigns forever, to its and their own proper use and behoof.

And the Grantor, for itself, its successors, and assigns, covenants with the said Grantee, its successors and assigns that at and until the sealing of these presents, it is well seized of the premises as a good indefeasible estate in fee simple, and has good right to bargain and sell the same in manner and form as is above written, and that the same is free from all encumbrances whatsoever except as hereinbefore mentioned.

And furthermore, the grantor does by these presents bind itself and its successors and assigns forever to WARRANT AND DEFEND the above granted and bargained premises to the Grantee, its successors and assigns, against all claims and demands whatsoever, except as hereinbefore mentioned.

The grantor hereby grants the above-described easements on the express condition that the Borough of Naugatuck, or its agents, post an adequate performance bond for the purpose of guaranteeing that the road, or roads be restored to the condition in which they existed prior to the installation of said sanitary sewer pipes. A further condition of the granting of this easement is that residents of the Town of Beacon Falls shall be allowed to tie-in or connect, with said sanitary sewer system subject to the approval of and at a rate of assessment to be determined by the respective Sewer Authorities of said Town of Beacon Falls and the Borough of Naugatuck.

The provisions hereof shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto, and when ever used the singular number shall include the plural and plural, the singular, and the use of any gender shall include all genders:

IN WITNESS WHEREOF the Grantor has herunto set or caused to be set his hand and seal this 27th day of March, 1967.

Signed, sealed, and delivered

in the presence of:

/s/ RONALD A. SARASIN
/s/ TRADUS J. MIS

Board of Selectmen

/s/ PATSY A. DELVECCHIO
/s/ EDWARD V. BEA
/s/ JAMES P. GREENE

STATE OF CONNECTICUT) ss Beacon Falls, March 27, 1967
COUNTY OF NEW HAVEN,)

Personally appeared Patsy A. DelVecchio, Edward V. Bea, James P. Greene, signers and sealers of the foregoing instrument, and acknowledged the same to be their free act and deed and the free act and deed of the Board of Selectmen of the Town of Beacon Falls, before me.

/s/ RONALD A. SARASIN

Commissioner of The Superior Court

Sealed for record April 27th, 1967 at 7:31 P.M. and recorded by:

[Signature]
Town Clerk

MORTGAGE RELEASE

Savings & Loan Association of Naugatuck, Inc.

(TO)

Agrizzo, Augustine & Arlene S.

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING: KNOW YE, THAT SAVINGS AND LOAN ASSOCIATION OF NAUGATUCK, INC. a legal corporation organized and existing under the laws of the State of Connecticut, located and having its principal place of business in the Borough of Naugatuck, County of New Haven and State of Connecticut, does hereby release and discharge a certain mortgage from AUGUSTINE AGRIZZO and ARLENE S. AGRIZZO to said Savings and Loan Association of Naugatuck, Inc., dated October 24, 1963 and recorded in the Land Records of the Town of Beacon Falls County of New Haven and State of Connecticut, in Vol. 28 Page 555-556.

IN WITNESS WHEREOF, Savings and Loan Association of Naugatuck, Inc., has caused its corporate name and seal to be affixed hereto by Philip E. Rice its President and Ronald D. Lengyel its Secretary, thereto duly authorized under the by-laws of the corporation this 21st day of April, A.D. 1967.

Signed, Sealed and Delivered

in the presence of:

/s/ ALICE S. WEISS
/s/ KATHRYN P. LOCKWOOD

SAVINGS AND LOAN ASSOCIATION OF NAUGATUCK, INC. (L.S.)

/s/ PHILIP E. RICE - President
/s/ RONALD D. LENGYEL - Secretary
(Corporate Seal Affixed)

STATE OF CONNECTICUT) ss. Naugatuck, April 21, 1967
COUNTY OF NEW HAVEN,)

Personally appeared Philip E. Rice President and Ronald D. Lengyel Secretary of Savings and Loan Association of Naugatuck, Inc., who signed the foregoing instrument and affixed the corporate seal thereto and acknowledged the same to be their free act and deed and the free act and deed of Savings and Loan Association of Naugatuck, Inc., before me,

/s/ ALICE S. WEISS
Notary Public

My Commission Expires 3/31/71

Sealed for record May 4th, 1967 at 7:35 P.M. and recorded by:

[Signature]



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VOLUME 47
AGREEMENT

Naugatuck, Borough of
Water Pollution Control Board

(TO)

BHE, INC.

AGREEMENT made and entered into on September 5, 1980, between the Borough of Naugatuck, a municipal corporation duly chartered under the laws of the State of Connecticut, acting through its Water Pollution Control Board and Mayor, and hereafter referred to as Naugatuck, and BHE, Inc., a Connecticut corporation located in Trumbull, owners of property intended for condominium development, and hereafter referred to as BHE. Said property is described in Schedule A attached hereto.

W I T N E S S E T H :

Whereas Naugatuck owns, operates and maintains a 12" sanitary sewer trunkline under Beacon Valley Road in the Town of Beacon Falls; and whereas BHE desires to utilize said 12" trunkline by tying into said line at various agreed upon places in order to discharge waste from its own proposed sewer lines which when completed will run through the Condominium Development known as "Beacon Hills East" to be located on property described in said Schedule A attached hereto.

In consideration of their mutual covenants, the parties agree as follows:-

SECTION ONE

Grant of Connection Rights

Naugatuck hereby grants to BHE, its successors and assigns, the right to connect to Naugatuck's 12" Beacon Valley Road trunkline for the purpose of disposing of its domestic sewage; said connections to be made at locations designated as desirable by Naugatuck.

SECTION TWO

Initial Payment By BHE

BHE hereby agrees to pay to Naugatuck the sum of Seven Hundred (\$700.00) Dollars per condominium unit. Any failure in payment of this amount automatically terminates this agreement and any rights arising hereunder. Upon signing of this agreement, BHE shall pay to Naugatuck the sum of Forty-Nine Thousand (\$49,000.00) Dollars cash or certified check the receipt whereof is hereby acknowledged. Said amount shall represent the payment in full of the \$700.00 per unit charge for the first seventy (70) condominium units to be constructed.

Payment for subsequent units shall follow Section Five infra. The standard connection charge of Sixty (\$60.00) Dollars per unit is incorporated in this total \$49,000.00 fee, and will be incorporated in the subsequent \$700.00 per unit charge, so that no \$60.00 fee shall be collected at the time of actual connection.

(CONTINUED)

NOTE: ENDERBERRY'S INITIALS = \$60.

(Continued)

SECTION THREECompliance with Specifications

BHE, its successors, heirs, assigns, employees, and any independent contractors employed by it in the construction of any sewer lines, shall construct the connections into the said Naugatuck sewer trunkline and all lines constructed or to be constructed within the Condominium Project in accordance with Naugatuck's standard specifications and all necessary state and federal standards; and BHE, its successors, heirs, assigns, employees and any independent contractors employed by it in the construction of any sewer lines, agree to have the said connection and all lines constructed or to be constructed with the Condominium Project inspected by personnel designated by Naugatuck for such purpose. BHE, its successors, heirs and assigns, further agrees to pay the cost of such inspection, at the prevailing rate for the Naugatuck sewer inspector.

SECTION FOURUsage Metering Device

BHE, its successors, heirs, and assigns, shall install a metering device which shall measure the quantity and quality of domestic sewage from said Condominium Project. Said device shall be of such type as meets the specifications determined by the Borough of Naugatuck. The Borough of Naugatuck shall have the right to specify when said device shall be installed.

SECTION FIVEOwnership of Internal Lines

BHE, its successors, heirs and assigns, or any Condominium Association taking control of the Condominium Project from BHE will remain the owner of all sewer lines constructed in the Condominium Project including the lines connecting directly with the Naugatuck 12" trunkline and will be responsible for repairs and maintenance and shall hold Naugatuck harmless from any and all such costs. However, Naugatuck reserves the right to inspect any repairs and maintenance work in accordance with Section Three of this agreement, and further reserves the right to require any changes or improvements in construction and/or work.

SECTION SIXPer Unit Charge

BHE, its successors, heirs and assigns, shall pay Naugatuck \$700.00 per condominium unit fee for each condominium unit sold or tied into the sewer lines within the condominium project. This fee must be paid prior to the sale or rental of any such tied-in unit and SAID FEE CONSTITUTES HEREWITH A LIEN AGAINST SAID UNIT. BHE further agrees that notice of said fee and lien

NOTICE: FURTHER TO BE ADDED TO GRANT

(CONTINUED)

VOLUME 47

(Continued)

will be given to prospective condominium unit buyers in any prospectus, offering or declaration; that any requirement of disclosure under the Connecticut General Statutes affecting said fee or lien will be complied with, and that this agreement will be recorded in the Beacon Falls Land Records, to serve as notice to all of the presence of said liens.

SECTION SEVEN

Subordination to Lien

Any failure to pay the per unit charge in Section Six or the standard use charge in Section Nine shall give rise to a lien for the equivalent of such amounts in favor of Naugatuck and such lien is deemed to be superior to and take preference over all other liens arising out of the financing, construction, or sale of the condominium project or any individual condominium; and BHE hereby agrees to provide Naugatuck with subordination agreements from any mortgagees, lienors, or encumbrancers to date, guaranteeing the non-foreclosure of said lien or liens.

SECTION EIGHT

Assignment

BHE has the right to assign or transfer its right and duties to any duly constituted condominium association formed for the general purpose of running the condominium project, and such assignment will release BHE from further obligation hereunder. However, all obligations hereunder must be expressly assumed by the condominium association before any rights or duties of BHE may be assigned or transferred and any and all requirements under the Condominium Act of the Connecticut General Statutes affecting the Rights of Naugatuck must be met. BHE shall have the right to assign any of its rights under this agreement to anyone provided it first obtains the written consent of Naugatuck. Said consent is not to be unreasonably withheld.

SECTION NINE

Future Use Charge

Naugatuck reserves the right to institute a sewage system use charge for any units serviced by said trunkline, at any future date at a rate fixed by it in its sole discretion; however, said charge shall not exceed Fifty (\$50.00) Dollars for the first year instituted. Said first year shall commence from the first connection to the said Borough sewer line. BHE agrees to bind any duly constituted condominium association formed for the general purpose of running the condominium units to liability for payment of said use charge by inclusion of said obligation in any Condominium Declaration, prospectus, or offering, and in each deed conveying a condominium unit or units. BHE further agrees

(CONTINUED)

NOTE: INCREASED BY 4 CENTS PER UNIT

(Continued)

to bind the association and member units so that any amounts becoming due as a use charge, and not paid within sixty (60) days of due date, shall be deemed a lien upon the individual units and the association both jointly and severally upon the filing on the Beacon Falls Land Records of a certificate of lien the form of which is to be prescribed by Naugatuck, and interest shall begin to accrue on the delinquency from the expiration of said sixty (60) day period, at the rate of 1% per month on the unpaid balance.

SECTION TEN

Maximum Units and Wasteflow

BHE intends to tie-in to the said trunkline a maximum of 225 units and hereby agrees for itself, its successors, heirs, and assigns that this number represents the highest number of units which will tie-in to said line and that the waste flow from all of said units or a lesser number of units shall be domestic sewage only.

SECTION ELEVEN

Town of Beacon Falls

This agreement in no way binds Naugatuck to fulfill any duties or obligations of BHE, its successors, heirs, assigns, employees, and any independent contractors employed by it in the construction of any sewer lines, due and owing to the Town of Beacon Falls; any such duties or obligations being independent of this agreement.

SECTION TWELVE

Complete Agreement

This indenture constitutes the entire agreement contemplated by the parties and any oral representations or discussions have been incorporated herein.

SECTION THIRTEEN

Future Ordinances and Regulations

This indenture is subject to any existing ordinances or regulations of the Borough of Naugatuck and any which may be enacted subsequent to the execution of this indenture. This indenture is further subject to any present or future law or regulation of the State of Connecticut and the Federal Government.

NOTE: ENDED BY BETH GRAN TIR & GRANTEE

(Continued)

Dated at Naugatuck, Connecticut this 30th day of August, 1980.

Gerald M. Noonan
Gerald M. Noonan

James F. McGrath (L.S.)
WATER POLLUTION CONTROL BOARD,
acting through James F. McGrath,
Chairman duly authorized by vote
of the Board on August 13, 1980.

Cecile LaRose
Cecile LaRose

Dated at Naugatuck, Connecticut this 3rd day of September, 1980.

Stella Jasinski
Stella Jasinski

William C. Rado (L.S.)
BOROUGH OF NAUGATUCK,
acting through its Mayor,
William C. Rado

Gerald M. Noonan
Gerald M. Noonan

Dated at Naugatuck, Connecticut this 5th day of September, 1980.

[Signature]

BHE, Inc.

Gerald M. Noonan
Gerald M. Noonan

BY Robert E. Chuddy (L.S.)
Robert E. Chuddy, President
BHE, Inc., duly authorized

State of Connecticut)
) SS. Naugatuck
County of New Haven)

On this the 30th day of August, 1980, before me, Gerald M. Noonan, the undersigned officer, personally appeared James F. McGrath, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained, and in his capacity as Chairman of the Water Pollution Control Board.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Gerald M. Noonan
GERALD M. NOONAN
Commissioner of Superior Court

NOTED: [unclear] BEACON FALLS, CONNECTICUT

ntinued)

State of Connecticut)
) SS. Naugatuck
County of New Haven)

On this the 3rd day of September, 1980, before me, Gerald M. Noonan, the undersigned officer, personally appeared William C. Rado, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained, and in his capacity as Mayor of the Town of Naugatuck.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]
GERALD M. NOONAN
Commissioner of Superior Court

State of Connecticut)
) SS. Naugatuck
County of ~~New Haven~~)

On this the 5 day of September, 1980, before me, Thomas J. Dolan, the undersigned officer, personally appeared Robert E. Chuddy, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained, and in his capacity as President of BHE, Inc.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]
Thomas J. Dolan
Commissioner of Superior Court
Notary Public

NOTE: INDEXED - BOTH BEACON FALLS & GARDNER

VOLUME 47

(Continued)

SCHEDULE ADESCRIPTION:

All that certain piece or parcel of land, with all buildings and other improvements thereon, and all appurtenances thereto, situated in the Town of Beacon Falls, County of New Haven and State of Connecticut, and bounded:

NORTHEASTERLY: by Beacon Valley Road, about 1160 ft.;
SOUTHEASTERLY: by land now or formerly of Howard N. and Helen W. Fassett, about 2,480 ft.;
SOUTHWESTERLY: by land of the State of Connecticut (State Forest) about 1,330 ft.;
NORTHWESTERLY: by an Old Highway, land of the State of Connecticut (State Forest) in part, in part by land now or formerly of Mary Sickola and in part by land now or formerly of John E. and Shirley W. Sickola, by an irregular line, in all about 2,530 ft.

Being all and the same premises conveyed to Casimer A. Einik as Two Pieces in that certain deed dated November 25, 1966 and recorded in Vol. 31 page 127 of the Beacon Falls land records, together with the First Piece in that certain deed dated June 2, 1969 and recorded in Vol. 31 page 325 of said land records, as well as premises shown on a certain map entitled "Map of Property to be conveyed by Elmer Tucker to Rolland Seeley, Beacon Falls, Conn., Scale 1" = 40' April 1955" made by Clarke and Pearson, Civil Engineers, and filed for record May 16, 1955 in the Beacon Falls Town Clerk's Office.

Received for record September 5th, 1980 at 10:23 A.M.



Town Clerk



Intermunicipal Agreement
Naugatuck / Waterbury
Platts Mills

AGREEMENT

THIS AGREEMENT, made as of ^{25th} day of January, 1985, by and between the BOROUGH OF NAUGATUCK, a municipal corporation, incorporated by the General Assembly of The State of Connecticut and situated in New Haven County, State of Connecticut, acting herein by the Honorable William C. Rado, its Mayor, and the WATER POLLUTION CONTROL BOARD OF THE BOROUGH OF NAUGATUCK, acting through its chairman, James F. McGrath (hereinafter referred to as "Naugatuck") and the CITY OF WATERBURY, a municipal corporation, organized and existing under the laws of the State of Connecticut and situated in New Haven County, State of Connecticut, acting herein by the Honorable Edward D. Bergin, its Mayor, duly authorized by the Board of Aldermen of the City of Waterbury (hereinafter referred to as "Waterbury").

W I T N E S S E T H :

WHEREAS, Waterbury and Naugatuck have residential homes located off Platts Mills Road, which road is located in the Towns of Naugatuck and Waterbury;

WHEREAS, the City of Waterbury and the Borough of Naugatuck recognize that it is a mutual benefit to each town to have sewers installed in this area;

WHEREAS, it is the earnest desire of the Borough of Naugatuck and the City of Waterbury to have sewers installed for the residents of the Platts Mills area;

WHEREAS, an Engineering Study has been completed which shows that it is feasible to tie the Platts area into the Waterbury sewage system;

NOW, THEREFORE, it is hereby agreed between Naugatuck and Waterbury as follows:

- 1) Naugatuck and Waterbury will cooperate in providing facilities for the conveyance of domestic sewage collected in the

(2)

Platts Mills area of Naugatuck and Waterbury to the Waterbury Collection and Treatment System.

2) The Borough of Naugatuck shall, at its expense, construct the Platts Mills Sewage System. The Borough of Naugatuck shall also be responsible for and payment of all design, engineering supervision and project administration costs, including preparation and execution of this intermunicipal agreement.

3) The Platts Mills Sewage System shall be constructed in accordance with:

A) Plate I (March 1984) of the Malcolm Pirnie, Platts Mills Sanitary Sewer Connection Engineering Report, dated June, 1984, attached hereto and made a part hereof.

B) The following preliminary project description:

- 1) Platts Mills Lateral Sewer construction in Naugatuck shall include lateral connections to property lines and re-surfacing of the entire street area.
- 2) Platts Mills lateral sewer construction in Waterbury shall include installation of Y connections (to facilitate connection of residential homes to the lateral sewer) and pavement of the trench area only in any road disturbed during construction.
- 3) The Platts Mills lateral sewer connection to the Bristol Street Pump Station shall include the construction of a Pneumatic Ejector Station with a stand-by generator, a 4-inch Force Main, and pavement of the trench area only in any roadway disturbed during construction.
- 4) Rehabilitation of the Bristol Street and Platts Mill Road Pump Station to accept future increased flows shall include, as

(3)

required, cleaning of force mains and installation of piping, pumps and motors.

C) Detailed Project Specifications and Bid documents to be prepared by Malcolm Pirnie, Inc. and approved by the Executive Director of the Water Pollution Control Board and Borough Engineer of the Borough of Naugatuck and the City Engineer for the City of Waterbury.

4) The City of Waterbury shall be responsible for the future operation and maintenance of the lateral sewers to be constructed in the Waterbury Section of Platts Mills.

5) Naugatuck shall be responsible for the cost of operation and maintenance of the pneumatic ejector station constructed in the Borough of Naugatuck.

6) Naugatuck shall also be responsible for the maintenance of the 4-inch force main up to, and including, its connection into the Bristol Street Pump Station in the City of Waterbury.

7) The City of Waterbury shall be responsible for the future operation and maintenance of the Bristol Street and the Platts Mills Road Pumping Stations.

8) Waterbury agrees that it shall not at any time allow new tie-ins to the 4-inch force main to be constructed in Platts Mills Road without specific written approval from the Water Pollution Control Board of the Borough of Naugatuck.

9) Waterbury recognizes and agrees that Naugatuck has paid Waterbury its' pro rata share of the existing collection system in Platts Mills Road, as well as the Waterbury Sewage Treatment Facility, in accordance with Exhibit I (Estimated Project Costs, 1984), attached hereto and made a part hereof.

10) Waterbury acknowledges that Naugatuck has fully prepaid its share of operation and maintenance costs of treating its sewage from the Naugatuck Section of Platts Mills at the Waterbury Treatment Plant for a twenty-five (25) year period,

(4)

commencing from the completion of construction of the Platts Mills Sewage System as detailed in Exhibit I; attached hereto and made a part hereof.

11) Waterbury agrees that Naugatuck shall have the right to discharge domestic sewage in perpetuity from the Naugatuck Section of Platts Mills, provided it pays its allocable cost of operation and maintenance for treatment of said waste at the Waterbury Treatment Facility. Said allocable charge shall be Waterbury's computed cost per million gallons of treated sewage in accordance with Exhibit II; attached hereto and made a part hereof.

12) As further consideration for the fact that Naugatuck shall construct and pay for the Platts Mills Sewage System, Waterbury agrees that Naugatuck shall be credited 25 years of pre-paid service. Should the amount of Waterbury's proportionate share of actual project costs exceed the amount of \$63,250.00 (\$2,530 x 25 yrs.), Naugatuck shall receive a credit toward actual treatment costs after said 25 year period, as calculated in Paragraph 11 hereof, for a number of years until the difference between Waterbury's proportionate share of total actual construction costs and \$63,250 is realized. Beyond said credit period, Naugatuck shall pay for the treatment of its sewage, pursuant to Paragraph 11 hereof.

13) Actual project costs, after construction, as determined by Malcolm Pirnie shall be attached to this Agreement as Exhibit III and made a part hereof.

14) Waterbury grants Naugatuck the right to construct the sewage system in the public ways of the City of Waterbury.

15) In order to comply with Waterbury Charter requirements and to further insure the possibility of State grants, the project contemplated herein shall only be bid by open competitive bidding.

16) The rights and obligations of the parties hereunder shall inure to and be binding upon their respective successors

and assigns.

17) In the event that any portion of this Contract or part thereof, is determined to be invalid, that determination shall not be considered to affect the remaining portion of this Agreement.

18) This Agreement sets forth the entire understanding and agreement between the parties respecting the subject matter, hereof.

19) If there should be any dispute between the parties arising out of the performance of this Agreement or as to the interpretation and application of any of the provisions thereof, the following procedure shall apply:

FIRST - The parties shall meet within ten (10) days written notice of the dispute in an attempt to resolve the dispute.

SECOND - In the event such meeting does not resolve the dispute, then either party may proceed to arbitration, in accordance with the rules of the American Arbitration Association then in effect.

20) This Agreement is subject to the passage of a referendum in the Borough of Naugatuck approving the capital expenditures for this project and subject to the necessary approvals of the respective Boards of the City of Waterbury.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective representatives duly authorized as of the day and year first above written.

ATTEST:

BOROUGH OF NAUGATUCK

Elizabeth J. Marcel

BY: William C. Rado

WILLIAM C. RADO
ITS MAYOR

John D. P... ..

ATTEST:

BOROUGH OF NAUGATUCK
WATER POLLUTION CONTROL BOARD

John D. P... ..

BY: James F. McGrath

JAMES F. McGRATH
ITS CHAIRMAN

Risa K... ..

ATTEST:

THE CITY OF WATERBURY

John D. Bergin

BY: Edward D. Bergin

EDWARD D. BERGIN
ITS MAYOR

John A. Mancini

APPROVED AS TO FORM

Anthony A. Casagrande
Asst. CORPORATION COUNSEL

EXHIBIT I

ESTIMATED PROJECT COST (1984)

SOURCE: Malcolm Pirnie, Platts Mills Engineering Report, June, 1984

	<u>NAUGATUCK</u> <u>COST</u>	<u>WATERBURY</u> <u>COST</u>
I <u>CONSTRUCTION COSTS</u>		
1.) Platts Mills Lateral Sewers - Naugatuck (includes manholes, lateral connections to property lines and re-surfacing of entire street)	\$296,000.00	
2.) Platts Mills Lateral Sewers - Waterbury (includes manholes, Y-connections and resurfacing of trench area only)		\$ 65,000.00
3.) Pneumatic Ejector Station (including cost of Standby Generator)	64,680.00 A	19,320.00 A
4.) 4-inch PVC Force Main, Approx. 2,250 ft.	45,400.00 A	13,600.00 A
5.) Pump Station Rehabilitation		
A) Bristol Street Station		
Replace equipment and Clean Force Main	760.00	1,240.00
Two new pumps and motors	3,800.00	6,200.00
Special Piping	1,900.00	3,100.00
Labor	2,850.00	4,650.00
Miscellaneous	950.00	1,550.00
SUBTOTAL	<u>10,260.00 B</u>	<u>16,740.00 B</u>
B) Platts Mills Road Station		
- Replace equipment and Clean Force Main	760.00	1,240.00
- Two (2) new pumps and motors	3,040.00	4,960.00
- Electrical and Instrumentation	2,280.00	3,720.00
- Labor	1,520.00	2,480.00
- Miscellaneous	950.00	1,550.00
SUBTOTAL	<u>8,550.00 B</u>	<u>13,950.00 B</u>
SUBTOTAL CONSTRUCTION COSTS	424,890.00	128,610.00
SUBTOTAL CONSTRUCTION COSTS WITH 15% CONTINGENCY	488,600.00	147,900.00

II ENGINEERING COSTS

- 1.) Platts Mills Lateral Sewers (includes
design, house connections, field
surveys and borings)

EXHIBIT I

	<u>NAUGATUCK COST</u>	<u>WATERBURY COST</u>
	\$	\$
2.) Pneumatic Ejector Station and Force Main	26,950 A	8,050 A
3.) Pump Station Rehabilitation		
Bristol Street	2,470 B	4,030 B
Platts Mills Road	3,230 B	5,270 B
4.) Intermunicipal Agreement	<u>15,000</u>	<u>-</u>
SUBTOTAL ENGINEERING COSTS	62,650	36,350
III	<u>CONSTRUCTION ENGINEERING & ADMINISTRATION COSTS</u>	
	(including full-time resident Engineer - 6 mos. and Office Construction Administration)	
1.) Platts Mills Laterals		
Naugatuck	40,100	-
Waterbury	-	8,800
2.) Pneumatic Station & Force Main	14,900 A	4,460 A
3.) Pump Station Rehabilitation		
Bristol Street	1,390 B	2,270 B
Platts Mills Road	<u>1,160 B</u>	<u>1,890 B</u>
SUBTOTAL	57,550	17,420
IV	<u>NAUGATUCK PURCHASE OF PRO RATA SHARE OF WATERBURY COLLECTION TREATMENT SYSTEM CAPACITY</u>	
1.) Collection & Pumping System	95,000 C	-
2.) Treatment Facility	15,000 D	-
SUBTOTAL	<u>110,000</u>	<u>(110,000)</u>
<u>TOTAL PROJECT COST</u>	718,800	91,670
GRAND TOTAL -1984	\$810,470	
V	<u>WATERBURY TREATMENT FACILITY COSTS TO PROCESS NAUGATUCK WASTE (1984).</u>	
		\$2,530 E
VI	<u>NAUGATUCK PREPAYMENT OF WATERBURY TREATMENT FACILITY COSTS (1984) - \$91,670 divided by \$2,530</u>	
		36.2 yrs.

(3)

EXHIBIT I
NOTES

(A) Cost Allocation: Naugatuck 77% (56) units), Waterbury 23% (17 units)

(B) Naugatuck Share of Planned Use of Bristol and Platts Mills Pump Station, and force mains is: $29,000 \text{ gal/day} \times 56/73$ divided by $(30,000 \text{ gal/day} + 29,200 \text{ gal/day}) = 38\%$ Waterbury Share = 62%

(C) Payment to Waterbury for use of existing collection System:

Value of stations and force mains \$ 250,000

Percentage of Naugatuck Flow (38%) B
Payment (One time payment only) \$ 95,000

(D) Payment to Waterbury for use of the existing treatment facility:

Value of treatment facility \$ 15,000,000

Naugatuck share of treatment facility is
 $22,000 \text{ gpd} / 22,000,000 \text{ gpd} = 0.1\%$

Payment (one time only) \$ 15,000

(E) Annual Treatment Cost for Naugatuck-Platts Mills
 $29,200 \text{ gpd} \times 56/73 \times \frac{\$310}{1.0 \text{ mgd}} \times 365 \text{ days} = \$2,530/\text{yr.}$

DEPARTMENT OF PUBLIC WORKS
SEWAGE TREATMENT PLANT

00A- Ordinary Recurring Expense:

A0 Personal Services:

0001	Regular Salaries.....	\$1,014,861
	Employee Benefits (B).....	385,647

B0 Contractual Services:

0105	Self Insurance - Vandalism	100
0107	Light and Power.....	450,000
0113	Meal Allowance.....	2,500
0124	Repairs	20,000
0137	Telephone	2,000
0144	Travel and Official Expense	250
0154	Water	34,000
0162	Training of Personnel	1,000
0225	Consultant and Contract Services	10,000

C0 Supplies, Materials and Expenses:

0401	Office	5,500
0403	Wearing Apparel	8,250
0413	Fuel	300,000
0414	Gasoline and Oil	6,500
0420	Maintenance of Plant	120,000
0421	Hand Tools	2,000
0425	Buildings and Grounds	3,000
0428	Plant Operations	11,000
0435	Laboratory	4,000
0436	Chemicals	160,000
0438	Licenses and Fees	1,000

PC	0701 Petty Cash	100
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TOTAL-ORDINARY RECURRING EXPENSES	\$2,541,708
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Divided by Waterbury Sewage Treatment Plant Flow for the previous fiscal year (c)

Notes:

- (A) Source Document: Budget of the City of Waterbury for fiscal year ended June 30, 1985; page 46.
- (B) Employee Benefits are paid by the City Controller's Office and not included as a Treatment Plan budget line item. These have been, however, considered as an ordinary expense in this agreement.
- (C) Source Document: Supt Bureau of Waste Disposal Annual Report on Waste Disposal Operations of the City of Waterbury.

PROJECT COST (1988)

EXHIBIT III

SOURCE: Engineer's records of Platts Mills Sanitary Sewers Construction Project

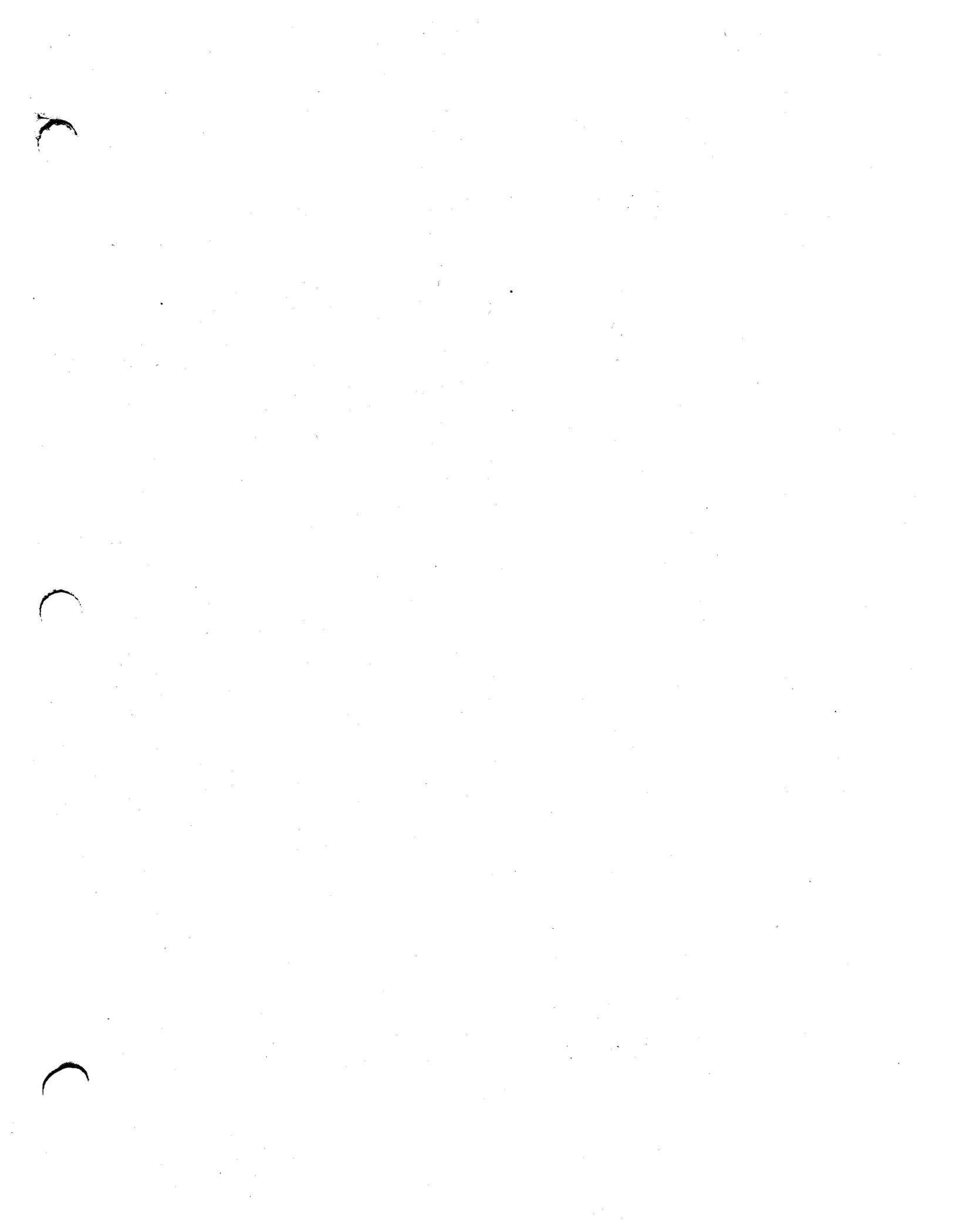
I. <u>CONSTRUCTION COSTS</u>	<u>NAUGATUCK COST</u>	<u>WATERBURY COST</u>	<u>TOTAL COST</u>
1) Platts Mills Lateral Sewers - Naugatuck (includes manholes, lateral connections to property lines and re-surfacing of entire street)	\$310,840*		\$310,840
2) Platts Mills Lateral Sewers - Waterbury (includes manholes, Y-connections and resurfacing of trench area only)		\$ 57,106*	\$ 57,106
3) Beardsley Avenue Station (including cost of Standby Generator)	\$ 80,850 A	\$ 24,150 A	\$105,000
4) 4-inch PVC Force Main, 2,232 ft.	\$ 73,987 A	\$ 22,100 A	\$ 96,087
5) Pump Station Rehabilitation			
A) Bristol Street Station	\$ 10,724 B	\$ 17,498 B	\$ 28,222
B) Platts Mills Road Station	\$ 0	\$ 0	\$ 0
SUBTOTAL CONSTRUCTION COSTS	\$476,401	\$120,854	\$597,255
II. <u>ENGINEERING COSTS</u>			
1) Platt Mills Lateral Sewers (includes design, house connections, field surveys and borings)			
Naugatuck (incl. design up-date only)	\$ 28,200		
Waterbury		\$ 24,440	
2) Beardsley Avenue Station and Force Main	\$ 28,952 A	\$ 8,648 A	

* See attached sheet labeled "Platt Mills Sanitary Sewers Project Construction Cost Breakdown"

(2)

EXHIBIT III (cont.)

	<u>NAUGATUCK COST</u>	<u>WATERBURY COST</u>	<u>TOTAL COST</u>
3) Pump Station Rehabilitation Bristol Street	\$ 1,429 B	\$ 2,331 B	
Platts Mills Road	0	0	
4) Intermunicipal Agreement	\$ 0	\$ -	
SUBTOTAL ENGINEERING COSTS	\$ 58,581	\$ 35,419	\$ 94,000
III. <u>CONSTRUCTION ENGINEERING & ADMINISTRATION COSTS</u> (including full-time Resident Engineering @ \$101,000; and Office Construction Administration @ \$25,000)			
1) Platts Mills Laterals Naugatuck	\$ 67,395	\$ 14,790	
Waterbury			
2) Beardsley Avenue Station & Force Main	\$ 25,042	\$ 7,496	
3) Pump Station Rehabilitation Bristol Street & Platts Mills Road	\$ 4,286	\$ 6,991	
SUBTOTAL	\$ 96,723	\$ 29,277	\$126,000
IV. <u>NAUGATUCK PURCHASE OF PRO RATA SHARE OF WATERBURY COLLECTION TREATMENT SYSTEM CAPACITY</u>			
1) Collection & Pumping System	\$ 95,000 C		
2) Treatment Facility	\$ 15,000 D		
SUBTOTAL	\$110,000	(-\$110,000)	
<u>TOTAL PROJECT COST</u>	\$741,705	\$ 75,550	
GRAND TOTAL - 1988		\$817,255	
V. <u>WATERBURY TREATMENT FACILITY COSTS TO PROCESS NAUGATUCK WASTE (1988)</u>		\$ 2,530 E	



Execution

SHARED SERVICES AGREEMENT

Between

U.S. Filter Operating Services, Inc.,

and

Naugatuck Environmental Technologies LLC,

with the approval of

**The Water Pollution Control Authority of the Borough of
Naugatuck, and**

the Borough of Naugatuck, Connecticut

dated as of

October 25, 2001

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SHARED SERVICES AGREEMENT

This SHARED SERVICES AGREEMENT is made and entered into as of this 25th day of October, 2001, by and between U.S. Filter Operating Services, Inc., a corporation organized and existing under the laws of the State of Delaware and authorized to do business in the State of Connecticut ("USFOS"), and Naugatuck Environmental Technologies LLC, a limited liability company organized and existing under the laws of the State of Connecticut and authorized to do business in the State of Connecticut ("NET"), with the approval of the Water Pollution Control Authority of the Borough of Naugatuck, a water pollution control authority established by the Borough of Naugatuck pursuant to Chapter 103 of the Connecticut General Statutes (the "WPCA") and the Borough of Naugatuck, Connecticut (the WPCA and Borough of Naugatuck are collectively referred to herein as the "Borough").

RECITALS

A. The Borough owns the Borough of Naugatuck wastewater treatment plant (the "Plant" as more particularly defined below) and the Borough of Naugatuck sludge incineration facilities (consisting of the dedicated merchant wastewater and septage holding tanks, the sludge dewatering building and equipment, the sludge incinerators, and the ash lagoons).

B. The Borough of Naugatuck wastewater treatment plant and the Borough of Naugatuck sludge incineration facilities are being operated by USFOS under an Interim Services Contract for Wastewater Treatment System Asset Management dated as of April 12, 2001, ("Interim Services Contract") which expires on April 30, 2002 or such earlier time as provided in such Interim Services Contract.

C. The Borough and USFOS have entered into that Service Agreement for Wastewater Treatment System Capital Improvements and Asset Management dated as of October 25, 2001, (the "WWTP Service Agreement") providing for the management, operation, maintenance, repair and replacement by USFOS of the Managed Assets, including the Borough of Naugatuck wastewater treatment plant, and the permitting, design, construction, starting up, testing and acceptance of certain initial capital improvements to such Managed Assets.

D. The Borough and NET have entered into that Incineration Facilities Lease Agreement dated as of October 25, 2001, (the "Incineration Facilities Lease") providing for the lease to NET of the Incineration Facilities together with certain easements, and the management, operation, maintenance, repair and replacement by NET of the Incineration Facilities for the term of the Incineration Facilities Lease, and the design, construction, starting up, testing and acceptance of certain initial capital improvements to the Incineration Facilities.

E. The Incineration Facilities currently provide for the incineration of Plant Sludge and certain other System Residuals produced by the Managed Assets, as well as the receipt, treatment and incineration of Crompton Sludge, Merchant Sludge, and Merchant Septage and Wastewater.

F. The Plant currently provides for the receipt and treatment of Incineration Process Filtrate produced by the Incineration Facilities.

G. Following completion of certain initial capital improvements, the Managed Assets will include a SCADA system that will provide for data gathering and telemetry of both the Managed Assets and the Incineration Facilities, and thus will provide shared data management services for the Managed Assets and Incineration Facilities.

H. The current staff operating the Managed Assets and Incineration Facilities are employed by USFOS, and a portion of the time expended by a number of such staff members is divided between activities at the Managed Assets and activities at the Incineration Facilities, such that it would not be practical or cost-effective to assign and transfer certain of such staff exclusively to either the Managed Assets or the Incineration Facilities. Accordingly, it is the desire of USFOS and NET to provide a mechanism for sharing the services of such staff.

I. It is the desire of USFOS and NET, with the approval of the Borough, to provide for the provision and exchange of certain shared services between USFOS and NET in their respective operations of the Managed Assets and Incineration Facilities.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties hereto, intending to be legally bound, agree as follows:

Article 1. DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below, and any other capitalized terms shall have the meanings set forth in the WWTP Service Agreement and the Incineration Facilities Lease:

“Acceptable Disposal Site” means either a sanitary landfill or other waste disposal or management facility (other than land application of sludge), which: (1) is operated in accordance with good engineering practice and Applicable Law (as applicable to waste disposal facilities disposing of such waste materials); (2) is located in the United States; (3) is not listed on or proposed for listing on any federal or State list of sites, such as but not limited to the National Priority List under CERCLA, maintained for the purpose of designating landfills or other sites which are reasonably expected to require remediation on account of the release or threat of release of Hazardous Materials; (4) is being operated at the time of disposal or delivery in accordance with Applicable Law as evidenced by the absence of any unresolved regulatory sanctions or any significant enforcement actions with respect to material environmental matters; (5) has committed by written agreement of the owner or operator to receive System Residuals originating at the Managed Assets or Incinerator Residuals originating at the Incineration Facilities; and (6) is not under any executive or judicial order barring receipt of System Residuals originating at the Managed Assets or Incinerator Residuals from any region which includes the Borough.

“Acceptable Incineration Process Filtrate” means Incineration Process Filtrate that does not constitute or contain an Unacceptable Substance.

“Acceptable Plant Sludge” means Plant Sludge other than Unacceptable Plant Sludge.

“Adjustment Factor” has the meaning specified in Section 4.04.

“Affiliate” means any person directly or indirectly controlling or controlled by another person, corporation or other entity or under direct or indirect common control with such person, corporation or other entity.

“Agreement” means this Shared Services Agreement between USFOS and NET, and approved by the Borough, including the Appendices, as the same may be amended or modified from time to time in accordance herewith.

“Appendix” means any of the Appendices attached to this Agreement, as the same may be amended or modified from time to time in accordance with the terms hereof.

“Applicable Law” means: (1) any federal, state or local law, code or regulation; (2) any formally adopted and generally applicable rule, requirement, determination, standard, policy, implementation schedule, or other order of any Governmental Body having appropriate jurisdiction; (3) any established interpretation of law or regulation utilized by an appropriate regulatory Governmental Body if such interpretation is documented by such regulatory body and generally applicable; (4) any Governmental Approval; and (5) any consent order or decree, settlement agreement or other similar agreement between the Borough and the DEP or EPA, in each case having the force of law and applicable from time to time: (a) to the siting, design, acquisition, construction, equipping, financing, ownership, possession, startup, testing, acceptance, operation, maintenance, repair, replacement or management of the Managed Assets or the Incineration Facilities; (b) to the conveyance, treatment, storage or discharge of the influent to or the effluent of the Managed Assets; (c) to the conveyance, treatment, storage and incineration of sludge; (d) to the air emissions from Managed Assets or Incineration Facilities; (e) to the transfer, handling, processing, transportation or disposal of ash and other residuals produced by the Incineration Facilities; and (f) to the transfer, handling, processing, transportation, incineration or disposal of sludge and other residuals produced by the Managed Assets. Applicable Law shall include the NPDES Permit, 503 Permit, the Consent Order, the Title V Permit, the Incinerator Air Permits, the 503 Regulations and the Sewer Use Regulations, but shall be deemed not to include the Excluded Conditions.

“Bankruptcy Code” means the United States Bankruptcy Code, 11 U.S.C. 101, et seq., as amended from time to time and any successor statute thereto. “Bankruptcy Code” shall also include (1) any similar state law relating to bankruptcy, insolvency, the rights and remedies of creditors, the appointment of receivers or the liquidation of companies and estates that are unable to pay their debts when due, and (2) in the event the Guarantor is incorporated or otherwise organized under the laws of a jurisdiction other than the United States, any similar insolvency or bankruptcy code applicable under the laws of such jurisdiction.

“Billing Period” means each calendar month, except that (1) the first Billing Period shall begin on the Commencement Date and shall continue to the last day of the month in which the Commencement Date occurs and (2) the last Billing Period shall end on the last day of the Term of this Agreement. Any computation made on the basis of a Billing Period shall be adjusted on a pro rata basis to take into account any Billing Period of less than the actual number of days in the month to which such Billing Period relates.

“Biochemical Oxygen Demand” or “BOD₅” means the five-day measure of the amount of oxygen required for the stabilization of decomposable carbonaceous organic matter and the biooxidation of nitrogenous material under aerobic conditions, the analysis of which shall conform to 40 CFR 136, *Guidelines Establishing Test Procedures for the Analysis of Pollutants*, unless other test procedures have been specified in the NPDES Permit.

“Borough” means, collectively, the Borough of Naugatuck, a political subdivision of the State of Connecticut, and the Water Pollution Control Authority of the Borough of Naugatuck, a water pollution control authority established by the Borough of Naugatuck pursuant to Chapter 103 of the Connecticut General Statutes.

“CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 *et seq.*, and applicable regulations promulgated thereunder, each as amended from time to time.

“Change in Law” means any of the following acts, events or circumstances to the extent that compliance therewith materially increases the cost of performing or materially increases the scope of a party's obligations hereunder:

(a) the adoption, amendment, promulgation, issuance, modification, repeal or written change in administrative or judicial interpretation of any Applicable Law on or after the Contract Date;

(b) the order or judgment of any Governmental Body issued on or after the Contract Date (unless such order or judgment is issued to enforce compliance with Applicable Law which was effective as of the Contract Date) to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of USFOS or NET, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence; or

(c) the denial of an application for, a delay in the review, issuance or renewal of, or the suspension, termination, or interruption of any Governmental Approval, or the imposition of a term, condition or requirement which is more stringent or burdensome than the Contract Standards in effect as of the Contract Date in connection with the issuance, renewal or failure of issuance or renewal of any Governmental Approval, to the extent that such occurrence is not the result of willful or negligent action, error or omission or a lack of reasonable diligence of USFOS or NET, whichever is asserting the

occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such occurrence shall not be construed as such a willful or negligent action or lack of reasonable diligence.

It is specifically understood, however, that a change in the nature or severity of the actions typically taken by a Governmental Body to enforce compliance with Applicable Law which was effective as of the Contract Date shall not constitute a "Change in Law".

"Clean Water Act" means the Clean Water Act (formally referred to as the Federal Water Pollution Control Act), 33 U.S.C. §1251 *et seq.*, and applicable regulations promulgated thereunder, each as amended from time to time.

"Collection System" means the Borough's wastewater collection system as described in Appendix 1 of the WWTP Service Agreement.

"Commencement Date" means the first date on which all of the Commencement Date Conditions shall have been satisfied or waived, as agreed to in writing by the parties thereto in accordance with Section 4.4 of the WWTP Service Agreement and Section 4.4 of the Incineration Facilities Lease.

"Commencement Date Conditions" has the meaning specified in Section 4.3 of the WWTP Service Agreement and Section 4.3 of the Incineration Facilities Lease.

"Community Septage" means Septage from the Borough and the Participating Entities which is delivered to the Plant other than through the Collection System, except for Middlebury Septage which is delivered to the Incineration Facilities as provided in the Incineration Lease Agreement.

"Consent Order" means the Consent Order No. 1626 entered into by the Borough and the DEP, dated February 5, 2001, and attached to the Incineration Lease Agreement as a Reference Document, relating to the compliance of nitrogen oxide emissions from the Incineration Facilities with Applicable Law.

"Consumables" means fuel oil, diesel fuel, liquid chlorine, liquid sulfur dioxide, liquid defoamant, quick lime, lubricants, polymers, office supplies and other chemicals, fuels, materials, supplies and similar consumables used in connection with the operation of the Managed Assets or the Incineration Facilities.

"Consumer Price Index" or "CPI" means the final reported non-seasonally adjusted Consumer Price Index as reported by the U.S. Department of Labor, Bureau of Labor Statistics, for Metropolitan Areas in the Northeast Region of the United States with populations less than 1.5 million people.

"Contract Date" has the meaning specified in Section 1.1 to each of the WWTP Service Agreement and Incineration Facilities Lease.

"Contract Services" means those services that USFOS agrees to provide NET, or that NET agrees to provide USFOS, under the terms of this Agreement.

“Contract Year” means the Borough's fiscal year commencing on July 1 in any year and ending on June 30 of the following year; provided, however, that the first Contract Year shall commence on the Commencement Date and shall end on the following June 30, and the last Contract Year shall commence on July 1 prior to the date this Agreement expires or is terminated, whichever is appropriate, and shall end on the last day of the Term of this Agreement or the effective date of any termination, whichever is appropriate. Any computation made on the basis of a Contract Year shall be adjusted on a pro rata basis to take into account any Contract Year of less than 365/366 days.

“Cost Substantiation” has the meaning specified in Section 16.4 of the WWTP Service Agreement and Section 17.4 of the Incineration Facilities Lease.

“Crompton” or “CMCI” means the Crompton Manufacturing Company, Inc.

“Crompton Sludge” means all sludge generated from CMCI’s pretreatment plant and discharged to the Incineration Facilities for treatment and disposal pursuant to the Discharge and Access Agreement.

“Defined Functions” has the meaning set forth in Section 3.03(a).

“DEP” means the Connecticut Department of Environmental Protection or any predecessor or successor agency.

“Designated Disposal Site” has the meaning specified in subsection 8.3(B) of the WWTP Service Agreement and Section 9.2(B) of the Incinerations Facilities Lease..

“Discharge and Access Agreement” means the Discharge and Access Agreement, dated April 12, 2001, between the Borough and CMCI pertaining to the treatment of CMCI wastewater at the Plant, the disposal of Crompton Sludge at the Incineration Facilities and the use of the Access Road, and attached to the WWTP Service Agreement as a Reference Document.

“Effluent Requirement” means the numerical and narrative effluent limitations set forth in the NPDES Permit, or otherwise imposed under Applicable Law.

“Encumbrance” means any Lien, lease, mortgage, security interest, charge, judgment, judicial award, attachment or encumbrance of any kind with respect to the Managed Assets or the Incineration Facilities.

“EPA” means the United States Environmental Protection Agency and any successor agency.

“Event of Default” means a USFOS Event of Default or a NET Event of Default.

“Excluded Conditions” means those conditions of the NPDES Permit, the Consent Order and other Government Approvals which USFOS and NET are not required to perform under the WWTP Service Agreement and the Incineration Facilities

Lease. The Excluded Conditions are defined, respectively, in Appendix 9 to the WWTP Service Agreement and Appendix 9 to the Incineration Facilities Lease.

“Fees and Costs” means reasonable fees and expenses of employees, attorneys, architects, engineers, expert witnesses, contractors, consultants and other persons, and costs of transcripts, printing of briefs and records on appeal, copying and other reimbursed expenses, and expenses reasonably incurred in connection with investigating, preparing for, defending or otherwise appropriately responding to any Legal Proceeding.

“503 Permit” means the National Pollution Discharge Elimination System Sewage Sludge Incinerator Permit No. CTL000002 issued on October 14, 1994 and expiring on November 14, 1999.

“Governmental Approvals” means all orders of approval, permits, licenses, authorizations, consents, certifications, exemptions, registrations, rulings, entitlements and approvals issued by a Governmental Body of whatever kind and however described which are required under Applicable Law to be obtained or maintained by any person with respect to the Contract Services, including the NPDES Permit, the 503 Permit, the Consent Order, the Title V Permit and the Incinerator Air Permits.

“Governmental Body” means any federal, State, regional or local legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any official thereof having jurisdiction.

“Hazardous Incinerator Residuals” means any portion of the Incinerator Residuals which (i) constitutes a “hazardous waste” (as defined in RCRA or counterpart state environmental laws); or (ii) contains “hazardous substances” (as defined in CERCLA or counter party state environmental laws) or other Regulated Substances in such concentrations or volumes as to render the Incinerator Residuals that would normally be handled at a Designated Disposal Site unacceptable for treatment or disposal at such Designated Disposal Site.

“Hazardous Material” means any waste, substance, object or material deemed hazardous under Applicable Law, including without limitation “hazardous substances” as defined in CERCLA and “hazardous waste” as defined in RCRA.

“Hazardous System Residuals” means any portion of the System Residuals which (i) constitutes a “hazardous waste” (as defined in RCRA or counterpart state environmental laws); or (ii) contains “hazardous substances” (as defined in CERCLA or counter party state environmental laws) or other Regulated Substances in such concentrations or volumes as to render the Plant Sludge or other System Residuals that would normally be handled at the Incineration Facilities unacceptable for treatment or disposal at the Incineration Facilities, or would render the System Residuals that would normally be handled at a Designated Disposal Site unacceptable for treatment or disposal at such Designated Disposal Site.

“Incineration Facilities” means the facilities for the processing, incineration and disposal of Plant Sludge, Crompton Sludge and Merchant Sludge and Merchant Septage

and Wastewater, which are located on the Incineration Facilities Site adjacent to the Plant Site, including the dedicated merchant wastewater and septage holding tank, the sludge dewatering building and equipment, the sludge incinerators, air emissions control equipment and the ash lagoons, including the Initial Capital Improvements and any other Capital Modifications made thereto from time to time, as more specifically defined in the Incineration Facilities Lease.

“Incineration Facilities Lease” has the meaning set forth in Recital ¶ D.

“Incineration Facilities Site” means the parcel of real property on which the Incineration Facilities are located, as described in Appendix 1 of the Incineration Facilities Lease.

“Incineration Facilities Temporary Shutdown” means the shutdown of the Incineration Facilities by NET for scheduled or unscheduled maintenance and repair for reasons other than Uncontrollable Circumstances.

“Incineration Process Filtrate” means any wastewater generated from the operation of the Incineration Facilities, including filtrate resulting from Merchant Sludge and Merchant Septage and Wastewater dewatering operations, wastewater from the air emissions control equipment for the incinerators and quenchwater removed from the ash lagoons.

“Incinerator Filtrate Fee Rate” has the meaning set forth in Section 4.02.

“Incinerator Filtrate Service Fee” has the meaning set forth in Section 4.02.

“Incinerator Residuals” means all ash residue generated from the incineration of Incinerator Sludge by the Incineration Facilities, Incineration Process Filtrate, and any liquid or solid material resulting from incineration, partial incineration or by-passing of Incinerator Sludge which requires disposal under Applicable Law.

“Initial Term” has the meaning specified in Section 2.01.

“Legal Proceeding” means any action, suit, litigation, arbitration, administrative proceeding, or other legal or equitable proceeding having a bearing upon this Agreement, and all appeals therefrom.

“Lien” means any and every lien against the Managed Assets or the Incineration Facilities or against any monies due or to become due from the Borough to USFOS or NET under this WWTP Service Agreement or the Incineration Facilities Lease, for or on account of the Contract Services, including without limitation mechanics', materialmen's, laborers' and lenders' liens.

“Loss-and-Expense” means any and all actual loss, liability, forfeiture, obligation, damage, fine, penalty, judgment, deposit, charge, cost or expense, including all Fees and Costs, except as explicitly excluded or limited under any provision of this Agreement.

“Managed Assets” means the those facilities defined as the “Managed Assets” in the WWTP Service Agreement.

“Merchant Septage and Wastewater” means all septage and wastewater received for treatment and disposal at the Incineration Facilities including Septage from the Town of Middlebury.

“Merchant Sludge” means all liquid and dewatered sludge, other than Plant Sludge, received for disposal at the Incineration Facilities.

“NET Event of Default” has the meaning set forth in Section 5.03.

“NET Indemnified Party” means NET, any member of NET, and their respective officers, directors, managers, shareholders, employees and agents.

“NPDES Permit” means National Pollutant Discharge Elimination System Permit No. CT0100641 issued on August 7, 2001 and expiring on August 7, 2006, and attached to the WWTP Agreement as a Reference Document.

“Odor Control Plan” means the plan for controlling odor at the Managed Assets and at the Incineration Facilities as set forth in Appendix 16 to the WWTP Service Agreement and Appendix 16 to the Incineration Facilities Lease.

“Overdue Rate” means the maximum rate of interest permitted by the laws of the State, if applicable, or the Prime Rate plus 2%, whichever is lower.

“Participating Entities” means the Town of Oxford, the Town of Middlebury, the Town of Beacon Falls, CMCI and any other entity which the Borough may contract with from time to time for the treatment and disposal of wastewater, septage or materials at the Plant. The contracts between the Borough and the Participating Entities are attached to the WWTP Service Agreement as Reference Documents.

“Pass-Through” has the meaning set forth in 40 C.F.R. Part 403.

“Plant” or “WWTP” means the Borough of Naugatuck Wastewater Treatment Plant and the real property on which it is located described in Appendix 1 of the WWTP Service Agreement, consisting generally of that separate and contiguous part of the System comprised of buildings, structures and equipment (including the raw sewage pump station and screening building), and the roads, grounds, fences and landscaping appurtenant thereto, utilized for preliminary treatment, primary treatment, secondary treatment and advanced biological treatment (nitrification) of System Influent, Plant Effluent disinfection and dechlorination, Plant Sludge storage, laboratory functions and administration and management of the Managed Assets, including the Initial Capital Improvements and any other Capital Modifications made thereto from time to time.

“Plant Effluent” means wastewater discharged from the Plant.

“Plant Site” means the parcel of real property described in Appendix 1 to the WWTP Service Agreement on which the Plant is located.

“Plant Sludge” means all liquid and dewatered sludge generated from the treatment of System Influent by the Plant.

“Plant Sludge Fee Rate” has the meaning set forth in Section 4.01

“Plant Sludge Service Fee” has the meaning set forth in Section 4.01.

“Pre-Existing Environmental Condition” means, and is limited to, (1) the presence anywhere in, on or under the Managed Assets or the Incineration Facilities on the Contract Date of underground storage tanks (for the storage of chemicals or petroleum products) that are not then in use in connection with operation of the Managed Assets or the Incineration Facilities; and (2) the presence of Hazardous Materials or Regulated Substances in environmental media anywhere in, on or under the Managed Assets or Incineration Facilities (including the presence in surface water, groundwater, soils, or subsurface strata) as of April 16, 2001, whether or not disclosed to USFOS or NET.

“Prime Rate” means the prime rate as published in The Wall Street Journal (Eastern Edition), or a mutually agreeable alternative source of the prime rate if it is no longer published in The Wall Street Journal (Eastern Edition) or the method of computation thereof is substantially modified.

“Prudent Industry Practice” means those methods, techniques, standards and practices which, at the time they are to be employed and in light of the circumstances known or reasonably believed to exist at such time, are generally recognized and accepted as prudent in the operation, maintenance, repair, replacement and management of municipal wastewater treatment facilities and sludge incineration facilities in the municipal wastewater treatment and sludge incineration industry as practiced in the northeast region of the United States.

“RCRA” means the Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.*, and applicable regulations promulgated thereunder, each as amended from time to time.

“Regulated Substance” means (a) any oil, petroleum or petroleum product and (b) any pollutant, contaminant, hazardous substance, hazardous material, toxic substance, toxic pollutant, solid waste, municipal waste, industrial waste, or hazardous waste that is defined as such by and is subject to regulation under any Applicable Law.

“SCADA” means, in the context of data gathering and telemetry systems, “Supervisory Control and Data Acquisition.”

“Septage” means the liquid and solid material pumped from a septic tank, cesspool or similar domestic sewage treatment system or a holding tank.

“Service Fee” shall mean the Plant Sludge Service Fee, the Incinerator Filtrate Service Fee, and the Administrative Services Fee.

“Service Staff” has the meaning set forth in Section 3.03(a).

“Sewer Influent” means all flows reaching the Plant through the System from all connected sources, including residential, commercial, municipal and industrial sources. Sewer Influent includes wastewater, infiltration and inflows, pretreatment flow from the Participating Entities and landfill leachate from the Laurel Park Superfund Site, but does not include Community Septage.

“Side Streams” means any material other than Plant Sludge (including Side Streams produced within the Collection System) which is, or at any time has been, a part of the System Influent and that ultimately is required to be disposed of in a manner other than that approved for Plant Effluent including, but not limited to, grit (detritus), screenings, scum, grease, and liquid byproducts and waste streams from intermediate treatment processing.

“Subcontractor” means every person (other than employees of the USFOS or NET) employed or engaged by USFOS or NET or any person directly or indirectly in privity with the USFOS or NET (including all subcontractors and every sub-subcontractor of whatever tier) for any portion of the Contract Services, whether for the furnishing of labor, materials, equipment, supplies, services, or otherwise.

“System Influent” means Sewer Influent, Incineration Process Filtrate and Community Septage.

“System Residuals” means any solid, semi-solid or liquid residue or sludge removed during the treatment of System Influent by the Managed Assets, including Plant Sludge and Side Streams. System Influent and Plant Effluent shall not constitute System Residuals.

“Tax” means any tax, fee, levy, duty, impost, charge, surcharge assessment or withholding, or any payment-in-lieu thereof, and any related interest, penalty or addition to tax.

“Term” has the meaning set forth in Article 2.

“Termination Date” means the last day of the Term of this Agreement.

“Title V Permit” means the Title V Permit No. 109-0059-TV issued on November 27, 2000 and expiring on November 27, 2005, and attached to the Incineration Facilities Lease as a Reference Document.

“Total Suspended Solids” or “TSS” means solids that either float on the surface of, or are in suspension in wastewater, the analysis of which shall conform to 40 C.F.R. 136, *Guidelines Establishing Test Procedures for the Analysis of Pollutants*.

“Unacceptable Plant Sludge” means any Plant Sludge that constitutes Unacceptable Sludge.

“Unacceptable Sludge” means any sludge (including Plant Sludge, Crompton Sludge and Merchant Sludge) that contains any toxic, hazardous, explosive, flammable, volatile, reactive, corrosive or radioactive waste, material or substance in volumes or concentrations that:

(1) exceeds the limits set forth in the NPDES Permit, the 503 Permit, the Title V Permit, or any other NPDES permit or other Governmental Approval authorizing or governing acceptance of such sludge at the Incineration Facilities;

(2) endangers human health or safety;

(3) would cause air emissions from the Incineration Facilities, when operated in accordance with Prudent Industry Practice and the Contract Standards, to exceed the emission limitations set forth in the Title V Permit or otherwise imposed by Applicable Law; or

(4) would cause Incinerator Residuals to become a Hazardous Material that is not eligible for disposal at the Acceptable Disposal Site for normal Incinerator Residuals produced by the Incineration Facilities, if such result could not reasonably be prevented by the management of the Incineration Facilities in accordance with the Contract Standards.

“Unacceptable Substance” means any toxic, hazardous, chemical, industrial, explosive, flammable, volatile, reactive, corrosive or radioactive waste, material or substance (including “toxic pollutants” as defined in the Clean Water Act) which, alone or in combination with other substances, is contained in sufficiently high concentrations or volumes in System Influent received at the Plant so as:

(1) to cause an Interference, a Pass-Through or an Upset;

(2) to endanger human health or safety; or

(3) to cause System Residuals to become a Hazardous Material, if any such result could not reasonably have been prevented by the management of the Managed Assets in accordance with the Contract Standards.

“Uncontrollable Circumstance” means any act, event or condition that is beyond the reasonable control of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under this Agreement, and that materially interferes with or materially increases the cost of performing its obligations hereunder (other than payment obligations), to the extent that such act, event or condition is not the result of the willful or negligent act, error or omission, failure to exercise reasonable diligence, or breach of this Agreement on the part of such party.

(1) Inclusions. Subject to the foregoing, Uncontrollable Circumstances shall include, and shall not be limited to, the following:

- (a) a Change in Law, except as otherwise provided in this Agreement;
- (b) the receipt of Excessive Influent at the Plant, subject to the terms of Section 6.5 of the WWTP Service Agreement;
- (c) the receipt of Hazardous Material at the Incineration Facilities, subject to the terms of Section 7.5 of the Incineration Facilities Lease;
- (d) the occurrence of an Interference, a Pass-Through or an Upset, in each case subject to the terms of Section 6.5 of the WWTP Service Agreement;
- (e) the existence of a Pre-Existing Environmental Condition;
- (f) the existence of a Specified Site Condition;
- (g) the existence of Hazardous System Residuals at the Managed Assets, subject to the terms of Section 6.5 of the WWTP Service Agreement;
- (h) the existence of Hazardous Incinerator Residuals at the Incineration Facilities, subject to the terms of Section 7.05 of the Incineration Facilities Lease;
- (i) contamination of the Managed Assets or Incineration Facilities from groundwater, soil or airborne Hazardous Material migrating respectively from sources outside the Managed Assets or Incineration Facilities to the extent not caused by the fault of the party seeking relief;
- (j) naturally occurring events (except weather conditions normal for the Borough) such as landslides, underground movement, earthquakes, lightning, fires, tornadoes, hurricanes, floods, epidemics, and other acts of God;
- (k) explosion, sabotage or similar occurrence, acts of a declared public enemy, extortion, war, blockade or insurrection, riot or civil disturbance;
- (l) labor disputes, except labor disputes involving employees of USFOS or NET (which ever party is seeking relief), or their respective Affiliates, or Subcontractors which affect the performance of by such party of the Contract Services;
- (m) the failure of any Subcontractor, to furnish services, materials, chemicals or equipment on the dates agreed to, but only if such failure is the result of an event which would constitute an Uncontrollable Circumstance if it affected the USFOS or NET directly, and the party seeking relief is not able after exercising all reasonable efforts to timely obtain substitutes;
- (n) the failure of any appropriate Governmental Body or private utility having operational jurisdiction in the area in which the Managed Assets or Incineration Facilities

are located to provide and maintain Utilities to the Managed Assets which are required for the performance of the Contract Services;

(o) any failure of title to the Managed Assets or Incineration Facilities or any placement or enforcement of any Encumbrance on the Managed Assets or Incineration Facilities not consented to in writing by, or arising out of any action or agreement entered into by, the party adversely affected thereby;

(p) the preemption, confiscation, diversion or destruction of materials or services by a Governmental Body in connection with a public emergency or any condemnation or other taking by eminent domain of any material portion of the Managed Assets or Incineration Facilities;

(q) a violation of Applicable Law by a person other than the affected party or its Subcontractors;

(r) with respect to USFOS, any NET Fault and any Borough Fault and Borough-requested Change Orders issued under the WWTP Service Agreement not due to Company Fault; and

(s) with respect to NET, any USFOS Fault and any Lessor Fault or Lessor-requested Change Orders issued under the Incineration Facilities Lease not due to Lessee Fault.

(2) Exclusions. It is specifically understood that none of the following acts, events or circumstances shall constitute Uncontrollable Circumstances:

(a) any act, event or circumstance with respect to which USFOS or NET, respectively, has assumed the "as-is" risk under Section 5.4 of the WWTP Service Agreement or Section 6.4 of the Incineration Facilities Lease;

(b) receipt of Sewer Influent containing industrial wastewaters that comply with all applicable general pretreatment standards and any specific limitations set forth in any then-applicable pretreatment permit governing such industrial wastewaters so long as the receipt of any such wastewaters does not exceed the Plant Capacity;

(c) receipt of Crompton Sludge that is in compliance with any then-applicable pretreatment, subject to the provisions of 6.19 of the Incineration Facilities Lease;

(d) any act, event or circumstance that would not have occurred if the affected party had complied with its respective obligations hereunder, under the WWTP Service Agreement or under the Incineration Facilities Lease;

(e) changes in interest rates, inflation rates, wage rates, insurance costs, commodity prices, currency values, exchange rates or other general economic conditions, except as otherwise specifically provided in the WWTP Service Agreement or Incineration Facilities Lease;

(f) changes in the financial condition of the Borough, USFOS or NET, or their Affiliates or Subcontractors affecting the ability to perform their respective obligations under this Agreement, the WWTP Service Agreement or the Incineration Facilities Lease;

(g) the consequences of error, neglect or omissions by USFOS or NET, or their respective Subcontractors, Affiliates or any other person acting under them in the performance of the Contract Services;

(h) union or labor work rules, requirements or demands which have the effect of increasing the number of employees employed at the Managed Assets or Incineration Facilities or otherwise increasing the cost to USFOS or NET of performing the Contract Services;

(i) any impact of prevailing wage or similar laws, customs or practices on USFOS's or NET's costs;

(j) weather conditions normal for the Borough;

(k) any surface or subsurface geotechnical or hydrological conditions, including without limitation the existence of compressible soil layers, masses, unstable soils, manmade deposits, and water table fluctuations not otherwise associated with an Uncontrollable Circumstance (other than Pre-Existing Environmental Conditions or Specified Site Conditions);

(l) mechanical failure of equipment to the extent not resulting from a condition that is listed in the "Inclusions" section of this definition;

(m) power failures to the extent not caused by third party Utilities or resulting from a condition that is listed in the "Inclusions" section of this definition;

(n) failure of USFOS or NET to secure patents which it deems necessary for the performance of the Contract Services;

(o) any failure or delay in obtaining DEP approval for operating staff reductions;

(p) any changes in electricity rates or costs, in the availability of electricity in the market for electricity, but not including any Change in Law relating to electricity;

(q) a Change in Law pertaining to Taxes, except to the extent provided in 12.12 of the WWTP Service Agreement and Section 13.11 of the Incineration Facilities Lease;

(r) after the Scheduled ICI Acceptance Date for the nitrogen removal system portion of the Initial Capital Improvements to the Managed Assets, any Change in Law relating to the Borough's TMDL compliance for total nitrogen; provided that such Change in Law does not result in a total nitrogen wasteload allocation that is more

stringent than the Borough's proposed total nitrogen wasteload allocation of 247.4 lbs/day on an average annual basis as of the Contract Date;

(s) any Change in Law (including the issuance of any Governmental Approval, the enactment of any statute, or the promulgation of any regulation) the terms and conditions of which do not impose more stringent or burdensome requirements on USFOS or NET than are imposed by the Contract Standards set forth in the WWTP Service Agreement and the Incineration Facilities Lease in effect as of the Contract Date.

“Upset” has the meaning set forth in 40 C.F.R. §122.41(n)(1).

“USFOS Event of Default” has the meaning set forth in Section 5.02.

“USFOS Indemnified Party” means USFOS and any officer, director, shareholder, employee, or agent of USFOS.

“Utilities” means any and all utility services and installations whatsoever (including gas, water, electricity, telephone, and telecommunications), and all piping, wiring, conduits, and other fixtures of every kind whatsoever related thereto or used in connection therewith.

“WWTP Service Agreement” has the meaning set forth in Recital ¶ C.

Section 1.02 Interpretation. In this Agreement notwithstanding any other provision hereof:

(a) References Hereto. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms refer to this Agreement; and the term “hereafter” means after, and the term “heretofore” means before, the Contract Date.

(b) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders, and words importing the singular number mean and include the plural number and vice versa.

(c) Persons. Words importing persons include firms, companies, associations, joint ventures, general partnerships, limited partnerships, limited liability corporations, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(d) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not affect its meaning, construction or effect.

(e) Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, this Agreement shall completely and fully supersede all other understandings and agreements among the parties with respect to such transactions.

(f) Causing Performance. A party shall itself perform, or shall cause to be performed, the obligations affirmatively undertaken by such party under this Agreement, subject to any limitations specifically imposed hereby with respect to Subcontractors or otherwise.

(g) Party Bearing the Cost of Performance. All obligations undertaken by each party hereto shall be performed at the cost of the party undertaking the obligation, unless the other party has explicitly agreed herein to bear all or a portion of the cost either directly or by reimbursement to the other party or through an adjustment to the fees and charges specified in this Agreement.

(h) Assistance. The obligations of a party to cooperate with, to assist or to provide assistance to the other party hereunder shall be construed as an obligation to use the party's personnel resources to the extent reasonably available in the context of performing their normal duties, and not to incur material additional overtime or third party expense unless requested and reimbursed by the assisted party.

(i) Prudent Industry Practice. Prudent Industry Practice shall be utilized hereunder, among other things, to implement and in no event displace or lessen the stringency of, the Contract Standards. In the event that, over the course of the Term of this Agreement, Prudent Industry Practice evolves in a manner which in the aggregate materially and adversely affects the cost of compliance therewith by the USFOS or NET, the party affected shall be relieved of its obligation to comply with such evolved Prudent Industry Practice (but not Prudent Industry Practice as of the Contract Date) unless the other party and the Borough agree to adjust fees and charges under this Agreement on a Cost-Substantiated basis to account for such additional costs. Except to the extent that USFOS or NET are relieved of their respective obligations to comply with such evolved Prudent Industry Practice, as provided above, in no event shall any evolution of Prudent Industry Practice, or any election by the other party or the Borough to pay or not pay any such additional costs, relieve the USFOS or NET of their respective obligations hereunder.

(j) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of competent jurisdiction, then the parties shall: (1) promptly negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effectuate the intent of the parties in the invalid clause, provision, subsection, Section or Article; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes, in substitution for or addition to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist.

(k) Drafting Responsibility. Neither party shall be held to a higher standard than the other party in the interpretation or enforcement of this Agreement as a whole or any portion hereof as a result of having assumed any drafting responsibility with respect to any portion of this Agreement or the Appendices hereto.

(l) No Third Party Rights. This Agreement is exclusively for the benefit of USFOS, NET, and the Borough and shall not provide any third parties with any remedy, claim, liability, reimbursement, cause of action, or other rights.

(m) References to Treatment. The terms "treat", "treated", "treatment", "treating" and any similar terms, when used with respect to Incineration Process Filtrate and other System Influent, shall mean and refer to the operation of the Managed Assets to receive, and treat System Influent and discharge Plant Effluent, all in accordance with the WWTP Service Agreement.

(n) References to Incineration. The terms "incinerate", "incinerated", "incinerating" and any similar terms, when used with respect to Incinerator Sludge, shall mean and refer to the operation of the Incineration Facilities to receive and incinerate Incinerator Sludge and dispose of Incinerator Residuals, all in accordance with the Incinerations Facilities Lease.

(o) References to Days. All references to days herein are references to calendar days.

(p) References to Including. All references to "including" herein shall be interpreted as meaning "including without limitation."

(q) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(r) Governing Law This Agreement shall be governed by and construed in accordance with the applicable laws of the State of Connecticut.

(s) Defined Terms. The definitions set forth in Section 1.1 shall control in the event of any conflict with the definitions used in the recitals hereto.

Article 2. TERM

Section 2.01 Effective Date and Initial Term. This Agreement shall become effective on the Contract Date, and shall continue in effect for 20 years following the Commencement Date (the "Term"), unless earlier terminated pursuant to the termination provisions of Section 5.04, in which event the Term shall be deemed to have ended as of the date of such termination. All rights, obligations, and liabilities of the parties hereto shall commence on the Contract Date, subject to the terms and conditions of this Agreement. At the end of the Term of this Agreement, all other obligations of the parties hereunder shall terminate, except as otherwise specifically set forth herein.

Article 3. CONTRACT SERVICES

Section 3.01 Plant Sludge Incineration and Disposal Services. Subject to the terms and conditions of this Agreement, NET agrees to provide to USFOS the following Plant Sludge treatment services:

(a) Acceptance and Treatment of Plant Sludge. Except to the extent relieved as provided in Section 3.01(h), Section 3.01(i) or Section 3.01(k), NET agrees to accept all Acceptable Plant Sludge delivered by USFOS to the Incineration Facilities, to incinerate such Plant Sludge at the Incineration Facilities, and to dispose of the Incinerator Residuals resulting from the treatment of such Plant Sludge, in accordance with Applicable Law and Prudent Industry Practice.

(b) Priority of Plant Sludge. Acceptable Plant Sludge shall have and receive absolute first priority for receipt, incineration and disposal by the Incineration Facilities, and no contract or other arrangement made by the NET may be made or executed in a manner which abrogates this obligation.

(c) Testing. NET shall conduct all tests of Plant Sludge and Incinerator Residuals as required by the Incineration Facilities Lease.

(d) Metering and Weighing. NET shall maintain in good working order, and repair and replace when necessary, devices at the Incineration Facilities capable of (1) metering the continuous and daily total volume of Plant Sludge, (2) metering or weighing the daily amount of Incinerator Residuals leaving the Incineration Facilities for disposal, (3) metering the continuous and daily total amount of Incineration Process Filtrate, and (4) any other metering or weighing requirement imposed by Applicable Law. With the exception of third-party scales that are state-certified, USFOS and the Borough shall have full access to such meters, instruments, controls, recorders, scales and other metering and weighing devices. All operating data produced by such metering and weighing devices shall be subject to audit, and shall be summarized in the operations reports delivered to the Borough pursuant to Section 6.15 of the Incineration Facilities Lease, a copy of which shall be delivered concurrently to USFOS. All such metering and weighing devices operated or maintained by NET shall be calibrated to the accuracy required by, and shall be operated and maintained in accordance with the requirements of, the Contract Standards. All third party scales shall be state-certified. To the extent any metering or weighing device is incapacitated or is being tested, NET shall estimate as accurately as practicable the data required by the NET to perform its obligations under this Agreement. This estimate and methodology shall, with the approval of USFOS and the Borough, be used as the basis for determining the operating data required hereunder during the outage. USFOS and the Borough shall have the right to monitor, inspect and test such metering and weighing devices which are part of the Incineration Facilities at any time and for any purpose and to take measurements regarding Incinerator Sludge, Incinerator Residuals and Incineration Process Filtrate without unreasonably interfering with the NET's ordinary operations.

(e) Releases, Spills and Leaks. NET shall operate the Incineration Facilities in such a manner that Plant Sludge, Incinerator Residuals or Incineration Process Filtrate will not contaminate, or be release, leaked or spilled on or into the environment, other than as permitted by Applicable Law and shall undertake all cleanup or remediation measures with respect to such release, leak or spills as required by the Incineration Facilities Lease.

(f) Avoidance of Hazardous Incinerator Residuals. Except as excused by Uncontrollable Circumstances, NET shall operate the Incineration Facilities, subject to the terms and conditions of this Agreement and the Incinerator Facilities Lease, to produce Incinerator

Residuals that will not be classified as Hazardous Incinerator Residuals under any Applicable Law.

(g) Disposal of Incinerator Residuals. NET shall be responsible for the treatment, management, transportation and disposal at an Acceptable Disposal Site of Incinerator Residuals in a safe and environmentally sound manner and in accordance with the Contract Standards.

(h) Incineration Facilities Temporary Shutdown. In the event an Incineration Facilities Temporary Shutdown precludes the acceptance and incineration of Acceptable Plant Sludge pursuant to this Agreement, in consideration of payment of the Plant Sludge Service Fee, NET shall accept and arrange for temporary alternative treatment or disposal of the Acceptable Plant Sludge at an Acceptable Disposal Site.

(i) Indefinite or Permanent Incineration Facilities Shutdown. Except as provided in Section 4.01(h), in the event an Uncontrollable Circumstance affects the Incineration Facilities and results in a temporary or permanent shutdown of the Incineration Facilities, NET shall have the right to either suspend or terminate this Agreement.

If the provisions of this Service Contract are suspended during the pendency of a temporary shutdown of the Incineration Facilities under this Section, such provisions and services under this Service Agreement may be reinstated with the agreement of both USFOS and NET upon the cessation of the Uncontrollable Circumstances of the restart of the Incineration Facilities.

(j) Unacceptable Plant Sludge. In the event that USFOS delivers Unacceptable Plant Sludge to the Incineration Facilities, upon discovery of such circumstance, NET shall notify USFOS of such occurrence and shall temporarily store such Unacceptable Plant Sludge in accordance with the provisions of the Incineration Facilities Lease and Prudent Industry Practice. To the extent that such Unacceptable Plant Sludge cannot be incinerated at the Incineration Facilities, USFOS shall promptly arrange for the pickup, transportation and delivery of such Unacceptable Plant Sludge to an Acceptable Disposal Site and shall reimburse NET for any additional costs associated with management of such Unacceptable Plant Sludge in accordance with Section 3.01(k)(3).

(k) Circumstances Affecting NET Compliance with Performance Obligations.

(1) Relief Generally. NET shall be relieved of its performance obligations hereunder to the extent and for any period during which the operation of the Incineration Facilities is affected by the receipt of Unacceptable Plant Sludge, Unacceptable Sludge, the existence of Hazardous Incinerator Residuals or any other Uncontrollable Circumstance.

(2) Unacceptable Sludge or Hazardous Incineration Residuals. The receipt of Unacceptable Sludge or the existence of Hazardous Incinerator Residuals shall be considered an Uncontrollable Circumstance, and NET shall be entitled to relief from its performance obligations due to the receipt of Unacceptable Sludge or the

existence of Hazardous Incineration Residuals, if NET affirmatively demonstrates through contemporaneous operating logs, sampling logs or other relevant evidence that:

(i) the Unacceptable Sludge was actually received or the Hazardous Incinerator Residuals exist;

(ii) during the relevant period, NET was properly implementing the Trucked-In Materials Protocol established under the Incineration Facilities Lease;

(iii) during the relevant period, NET was following Prudent Industry Practice and the other Contract Standards with respect to monitoring of Incinerator Sludge and Incinerator Residuals and the operation of the Incineration Facilities; and

(iv) the Unacceptable Sludge or Hazardous Incinerator Residuals resulted in a violation of the NPDES Permit, the 503 Permit, the Title V Permit, the Incinerator Air Permits or any other Applicable Law or any other non-compliance with any performance obligation or guarantee.

(3) Effect on Fees. To the extent the occurrence of an Uncontrollable Circumstance was caused by the receipt of Unacceptable Plant Sludge, the Plant Sludge Service Fee shall be increased by an amount equal to the reasonable costs incurred by NET with respect to such Uncontrollable Circumstances, including without limitation the reasonable costs incurred by NET in responding to the effect of the Uncontrollable Circumstance on the Incineration Facilities and on the storage, treatment and disposal of Incinerator Residuals, but excluding (1) any such increased costs which would have been avoided had NET complied with any remedial measures required under Applicable Law and appropriate mitigating measures required by Section 6.02 of this Agreement and (2) any price relief related or allocated to the treatment of Plant Sludge afforded NET with respect to such Uncontrollable Circumstance pursuant to the Incineration Facilities Lease (it being understood that the price relief afforded NET under the Incineration Facilities Lease shall not be duplicated under this Agreement).

Section 3.02 Incineration Process Filtrate Treatment Services. Subject to the terms and conditions of this Agreement, USFOS agrees to provide to NET the following Incineration Process Filtrate treatment services:

(a) Acceptance and Treatment of Incineration Process Filtrate. Except to the extent relieved as provided in Section 3.02(g), USFOS agrees to accept all Acceptable Incineration Process Filtrate delivered by NET to the Plant and to treat such Acceptable Incineration Process Filtrate at the Plant in accordance with Applicable Law and Prudent Industry Practice.

(b) Plant Effluent. Except as excused by Uncontrollable Circumstances, USFOS shall operate the Plant, subject to the terms and conditions of this Agreement and the WWTP Service Agreement, to produce Plant Effluent meeting the Effluent Requirements.

(c) Testing. USFOS shall conduct all tests of Incineration Process Filtrate as required by the WWTP Service Agreement.

(d) Metering and Weighing. USFOS shall maintain in good working order, and repair and replace when necessary, devices at the WWTP capable of (1) metering the continuous and daily volume of Incineration Process Filtrate, (2) metering or weighing the daily amount of Plant Sludge leaving the Plant for disposal, and (3) any other metering or weighing requirement imposed by Applicable Law. With the exception of third-party scales that are state-certified, NET and the Borough shall have full access to such meters, instruments, controls, recorders, scales and other metering and weighing devices. All operating data produced by such metering and weighing devices shall be subject to audit, and shall be summarized in the operations reports delivered to the Borough pursuant to Section 5.15 of the WWTP Service Agreement, a copy of which shall be delivered concurrently to NET. All such metering and weighing devices operated or maintained by USFOS shall be calibrated to accuracy required by, and shall be operated and maintained in accordance with the requirements, of the Contract Standards. All third party scales shall be state-certified. To the extent any metering or weighing device is incapacitated or is being tested, USFOS shall estimate as accurately as practicable the data required by USFOS to perform its obligations under this Agreement. This estimate and methodology shall, with the approval of NET and the Borough, be used as the basis for determining the operating data required hereunder during the outage. NET and the Borough shall have the right to monitor, inspect and test such metering and weighing devices which are part of the Plant at any time and for any purpose and to take measurements regarding System Influent, Plant Effluent, System Residuals and Community Septage without unreasonably interfering with the USFOS's ordinary operations.

(e) Releases, Spills and Leaks. USFOS shall operate the Managed Assets in such a manner that Incineration Process Filtrate will not contaminate, or be released, leaked or spilled on or into the environment, other than as permitted by Applicable Law and shall undertake all cleanup or remediation measures with respect to such release, leak or spill as required by the WWTP Service Agreement.

(f) Unacceptable Incineration Process Filtrate. In the event that NET delivers Unacceptable Incineration Process Filtrate to the Plant Facilities, upon discovery of such circumstance, USFOS shall notify NET of such occurrence and shall temporarily store such Unacceptable Incineration Process Filtrate in accordance with the provisions of the WWTP Service Agreement and Prudent Industry Practice. To the extent that such Unacceptable Incineration Process Filtrate cannot be treated at the Plant, NET shall promptly arrange for the pickup, transportation and delivery of such Unacceptable Incineration Process Filtrate to an Acceptable Disposal Site and shall reimburse USFOS for any additional costs associated with management of such Unacceptable Incineration Process Filtrate in accordance with Section 3.02(g)(3).

Obligations. (g) Circumstances Affecting USFOS Compliance with Performance

(1) Relief Generally. USFOS shall be relieved of its performance obligations hereunder to the extent and for any period during which the operation of the Managed Assets is affected by the occurrence of an Upset, Interference or Pass-Through, the receipt of Excessive Influent or any other Uncontrollable Circumstance.

(2) Upsets, Interference or Pass-Through and Excessive Influent. The occurrence of an Upset, Interference or Pass-Through or the receipt of Excessive Influent shall be considered an Uncontrollable Circumstance, and USFOS shall be entitled to relief from its performance obligations due to the occurrence of an Upset, Interference or Pass-Through or the receipt of Excessive Influent, if USFOS affirmatively demonstrates through contemporaneous operating logs, sampling logs or other relevant evidence that:

(i) an Upset actually occurred (as demonstrated in accordance with the conditions set forth in 40 C.F.R. 122.41(n)(3) irrespective of whether an Upset is included in the NPDES Permit), Interference or a Pass-Through actually occurred or Excessive Influent was actually received;

(ii) during the relevant period, USFOS was following Prudent Industry Practices and the other Contract Standards with respect to monitoring of System Influent and the operation of the Managed Assets; and

(iii) the Upset, Interference or Pass-Through or Excessive Influent resulted in a violation of the NPDES Permit, or any other Applicable Law or any other non-compliance with any performance obligation.

(3) Effect on Fees. To the extent the occurrence of an Upset, Interference or Pass-Through or the receipt of Excessive Influent constitutes an Uncontrollable Circumstance, and such Uncontrollable Circumstance was caused by the receipt of Unacceptable Incinerator Filtrate, the Incinerator Filtrate Service Fee shall be increased by an amount equal to the reasonable costs incurred by USFOS with respect to such Uncontrollable Circumstances, including without limitation the reasonable costs incurred by USFOS in responding to the effect of the Uncontrollable Circumstance on the Managed Assets and on the treatment and disposal of Plant Effluent and System Residuals but excluding any such increased costs which would have been avoided had USFOS complied with any remedial measures required under Applicable Law and appropriate mitigating measures required by Section 6.02(b) of this Agreement.

Section 3.03 Administrative Services. Subject to the terms and conditions of this Agreement, USFOS agrees to provide to NET the following administrative services:

(a) Staffing. USFOS agrees to provide to NET certain personnel for the purpose of administration and operation of the Incineration Facilities, including supervisory, operation and maintenance personnel ("Service Staff"). USFOS agrees to provide up to eight (8) full-time equivalent Service Staff in accordance with the staffing plan attached hereto as Appendix A. (Under the staffing plan, certain marketing, administrative and other services may be provided by personnel designated from time to time by USFOS, and such designated Service Staff are not limited to personnel regularly posted at the Incineration Facilities or adjacent WWTP.) The Service Staff shall generally perform the following tasks under the direction of NET, which are more particularly set forth in the position descriptions attached hereto as Appendix B (collectively, the "Defined Functions"): administration and supervision of the Incineration Facilities; office support services; marketing services; repair, maintenance and operation of the Incineration Facilities. USFOS warrants that all Service Staff are qualified to perform the services for which they are provided, and that they possess all necessary training and professional certification or licensure, to the extent required by Applicable Law.

(b) Accounting, Billing and Collection Services. USFOS agrees to provide accounting, billing and collection services with respect to operations of the Incineration Facilities, including (i) accounts payable services (including receipt and accounting of bills, accounting for Incineration Facilities costs, preparation of checks, and associated accounting services); (ii) accounts receivable services (including preparation and distribution of bills to customers for Merchant Sludge and Merchant Septage and Wastewater services, receipt and accounting of payments from customers, tracking and accounting of receivables); and (iii) administrative services to seek collection of overdue accounts (but not including Legal Proceedings for collection of accounts receivable).

(c) USFOS Responsibilities.

(1) USFOS shall maintain all necessary personnel and payroll records for the Service Staff assigned to NET. In accordance with the USFOS personnel classification system, USFOS shall be responsible for payment of the Service Staff salaries, pension and other benefits.

(2) USFOS shall be responsible for its employees' wages and withhold applicable federal, state and local taxes, and Federal Social Security payments or other applicable social insurance. In no event shall NET be liable for taxes or social insurances incurred by USFOS in the course of providing the Defined Functions to NET.

(3) USFOS shall remit its employees withholdings to the proper government authorities and make employer contributions for FICA and national and state unemployment insurance payments.

(4) USFOS shall procure and will remain in effect throughout the life of this Agreement, Workers' Compensation or similar insurance in full limits as

required by statute covering personnel assigned to NET hereunder. If any direct claim for Workers' Compensation benefits is brought by any of said personnel, or, in the event of death, by their personal representatives, then USFOS shall indemnify and hold NET harmless from and against any such claim(s) to the extent of all benefits and awards, cost of litigation disbursements and reasonable attorney's fees NET may incur in connection therewith.

(d) Relationship Between USFOS and NET.

(1) The Service Staff, when providing the Defined Functions, shall be leased employees of NET, and NET shall direct and oversee the performance of the Defined Functions by the Service Staff.

(2) If NET is dissatisfied with the performance of the Service Staff, NET may notify USFOS in writing of such dissatisfaction and the reasons therefore. USFOS will replace the individual(s) that are subject to such notice of dissatisfaction within five (5) days or shall otherwise assure that such individual(s) perform services in a satisfactory manner.

(e) Legal Compliance and Indemnity.

(1) NET agrees to indemnify, defend and hold harmless USFOS, its directors, officers, agents and employees from and against any and all claims, demands, actions, causes of action, losses, judgments, damages, costs or expenses (including court costs, fees and settlement costs) (collectively "Claims") arising from the activities of the Service Staff in performing the Defined Services, except for any Claims related to bodily injury or death incurred by Service Staff which are covered by Worker's Compensation.

(2) USFOS shall comply with all applicable national, state and local laws including, but not limited to, the provisions of the Equal Employment Opportunity Act, and will indemnify and hold harmless NET, and its directors, officers, agents and employees, from and against any Claims arising out of any non-compliance violation or alleged non-compliance violation by USFOS of any such laws, including common law tort and wrongful discharge actions.

Article 4. SERVICE FEES

Section 4.01 Plant Sludge Service Fee. From and after the Commencement Date, USFOS shall pay to NET the Plant Sludge Service Fee as defined and calculated in this Section as compensation for NET performing the Plant Sludge incineration and disposal services provided under Section 3.01.

(a) Initial Plant Sludge Service Fee. The Plant Sludge Service Fee shall be calculated by multiplying the actual measured volume of Plant Sludge received in each month at

the Incineration Facilities (converted to a dry tons basis in accordance with Appendix C) times the Plant Sludge Fee Rate.

(b) Initial Plant Sludge Fee Rate. The Plant Sludge Fee Rate for the first Contract Year shall be \$211.00 per dry ton of Plant Sludge received at the Incineration Facilities.

(c) Adjustment of Plant Sludge Fee Rate. The Plant Sludge Fee Rate for each Contract Year after the first Contract Year shall be determined by multiplying (a) the Plant Sludge Fee Rate for the previous Contract Year, times (b) the Adjustment Factor.

Section 4.02 Incinerator Filtrate Service Fee. From and after the Commencement Date, NET shall pay to USFOS the Incinerator Filtrate Service Fee as defined and calculated in this Section as compensation for USFOS performing the Incineration Process Filtrate treatment services provided under Section 3.02.

(a) Initial Incinerator Filtrate Service Fee. The Incinerator Filtrate Service Fee shall be calculated by multiplying the actual measured volume of Incinerator Process Filtrate received in each month at the Plant times the Incineration Filtrate Fee Rate.

(b) Initial Incinerator Filtrate Fee Rate. The Incinerator Filtrate Fee Rate for the first Contract Year shall be \$0.5046 per thousand gallons of Incineration Process Filtrate received at the Plant.

(c) Adjustment of Incinerator Filtrate Fee Rate. The Incinerator Filtrate Fee Rate for each Contract Year after the first Contract Year shall be determined by multiplying (a) the Incinerator Filtrate Fee Rate for the previous Contract Year, times (b) the Adjustment Factor.

Section 4.03 Administrative Services Fee. From and after the Commencement Date, NET shall pay to USFOS the Administrative Services Fee as defined and calculated in this Section in compensation for USFOS performing the administrative services provided under Section 3.03.

(a) Initial Administrative Services Fee. The Administrative Services Fee for the First Contract Year shall be \$233,586.00 per year, prorated monthly.

(b) Adjustment of Administrative Services Fee. The Administrative Services Fee for each Contract Year after the first Contract Year shall be determined by multiplying (a) the Administrative Services Fee for the previous Contract Year, times (b) the Adjustment Factor.

(c) Scope of Services Adjustment. In the event that the number of full time equivalent Service Staff required to perform the Defined Functions is materially increased or decreased due to work load, the scope of services required, or changes to the DEP-approved staffing plan, USFOS and NET will negotiate an appropriate adjustment to the Administrative Services Fee.

Section 4.04 Adjustment Factor. The Adjustment Factor for purposes of this Agreement, when used with respect to any particularly Contract Year, shall be based on the percent change in the CPI over the immediately preceding 12-month period.

Section 4.05 Billing and Payments.

(a) USFOS Billing. USFOS shall submit to NET a monthly invoice for the Incinerator Filtrate Service Fee and the prorated monthly Administrative Services Fee by the fifteenth day of the month following the month in which the Contract Services are rendered. The monthly invoice shall contain data regarding the volume of Incinerator Process Filtrate received at the Plant, together with the calculation of the Incineration Filtrate Service Fee related thereto, and such other documentation or information as NET and the Borough may reasonably require.

(b) NET Billing. NET shall submit to USFOS a monthly invoice for the Plant Sludge Service Fee by the fifteenth day of the month following the month in which the Contract Services are rendered. The monthly invoice shall contain data regarding the volume of Plant Sludge received at the Incineration Facilities, together with the calculation of the dry ton equivalent of that volume and the Plant Sludge Service Fee related thereto, and such other documentation or information as USFOS and the Borough may reasonably require.

(c) Payments.

(1) If in any month, the amount of the USFOS monthly invoice exceeds the amount of NET monthly invoice, NET shall pay to USFOS the difference between the USFOS monthly invoice and the NET monthly invoice within 30 days following receipt of the USFOS monthly invoice.

(2) If in any month, the amount of the NET monthly invoice exceeds the amount of USFOS monthly invoice, USFOS shall pay to NET the difference between the USFOS monthly invoice and the NET monthly invoice within 30 days following receipt of the NET monthly invoice.

(3) Any balances remaining unpaid after the dates for payment specified in Section 4.05(c)(1) or (c)(2) shall bear interest at the Overdue Rate.

(d) Billing Disputes. If either USFOS or NET disputes any amount billed by the other, then within 30 days of receiving the invoice containing any such disputed charge, the disputing party may either (1) pay the disputed amount when otherwise due, and provide the billing party with a written objections indicating the amount that is being disputed and the reasons for such objection, or (2) withhold payment of the disputed amount and provide the billing party with a written objection within the time when such amount would otherwise have been payable. When any billing dispute is finally resolved, any required payment by the disputing party to the billing party of amounts withheld, or any required reimbursement by the billing party to the disputing party of amount paid under protest, shall be made within 30 days of the date of resolution, with interest at the Overdue Rate from the date when such payment was originally due or such payment under protest was originally made.

Section 4.06 Adjustments to Service Fees. If any adjustment to the service fees set forth in this Article 4 is required pursuant to any provision of the Agreement, the party requesting the adjustment (USFOS or NET, as the case may be) shall submit to the other party a written statement setting forth the cause of the adjustment, the anticipated duration of the

adjustment, and the amount of the adjustment, as appropriate. Any request for adjustment shall be accepted or rejected by the party receiving the request within 45 days of receipt. If a receiving party does not notify the requesting party of its rejection and the reasons therefor within such 45 day period, the request shall be deemed approved. Any disputes regarding requested adjustments shall be resolved as set forth in Section 5.08.

Article 5. DEFAULT AND REMEDIES

Section 5.01 Remedies for Breach. The Parties agree that, except as provided in Section 5.04 (relating to termination rights) in the event of either USFOS or NET breach this Agreement, the other party may exercise any legal rights it has under this Agreement and Applicable Law to recover damages or to secure specific performance, and that such rights to recover damages and to secure specific performance shall ordinarily constitute adequate remedies for any such breach. Each of the parties shall have the right to seek specific performance of this Agreement, it being understood that damages alone do not provide an adequate remedy.

Section 5.02 USFOS Events of Default. The following occurrences or failures shall constitute events of default by USFOS (a "USFOS Event of Default") under the terms of this Agreement:

(1) USFOS's failure, neglect or refusal to pay any service fee or other undisputed payment due under this Agreement, which continues for forty-five (45) days after written notice to USFOS.

(2) USFOS's unexcused failure to keep and perform any of USFOS's obligations or covenants under this Agreement, which failure or breach continues for forty-five (45) days after written notice thereof by NET to USFOS, unless the nature of the failure or breach is such that more than 45 days is required for its cure and USFOS has commenced such cure within such 45 day period and thereafter diligently prosecutes the same to completion.

(3) USFOS shall (1) make an assignment for the benefit of creditors; (2) file or acquiesce in a petition in any court (whether or not pursuant to any statute of the United States or of any state) in bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings, or make an application in any such proceedings for, or acquiesce in, the appointment of a trustee or receiver for it or over all or any portion of its property; or (3) be subject to any petition filed against USFOS in any court (whether or not pursuant to any statute of the United States or of any state) in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings where: (x) USFOS shall thereafter be adjudicated as bankrupt or insolvent, or (y) such petition shall be approved by any such court, or (z) such proceedings shall not be dismissed, discontinued or vacated within ninety (90) days after such petition is filed.

Section 5.03 NET Event of Default. The following occurrences or failures shall constitute events of default by NET (a "NET Event of Default") under the terms of this Agreement:

(1) NET's failure, neglect or refusal to pay any service fee or other undisputed payment due under this Agreement, which continues for forty-five (45) days after written notice to NET.

(2) NET's unexcused failure to keep and perform any of NET's obligations or covenants under this Agreement, which failure or breach continues for forty-five (45) days after written notice thereof by USFOS to NET, unless the nature of the failure or breach is such that more than 45 days is required for its cure and NET has commenced such cure within such 45-day period and thereafter diligently prosecutes the same to completion.

(3) NET shall (1) make an assignment for the benefit of creditors; (2) file or acquiesce in a petition in any court (whether or not pursuant to any statute of the United States or of any state) in bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings, or make an application in any such proceedings for, or acquiesce in, the appointment of a trustee or receiver for it or over all or any portion of its property; or (3) be subject to any petition filed against NET in any court (whether or not pursuant to any statute of the United States or of any state) in any bankruptcy, reorganization, composition, extension, arrangement or insolvency proceedings where: (x) NET shall thereafter be adjudicated as bankrupt or insolvent, or (y) such petition shall be approved by any such court, or (z) such proceedings shall not be dismissed, discontinued or vacated within ninety (90) days after such petition is filed.

Section 5.04 Termination Rights. In the event of an Event of Default, the other party may terminate this Agreement upon thirty (30) days' written notice to the defaulting party and the Borough. The right of termination as provided under this Section shall upon an Event of Default shall not be exclusive, and if the non-defaulting party terminates this Agreement upon an Event of Default, the non-defaulting party shall have the right to pursue a cause of action for actual damages and to exercise all other remedies which are available to it under this Agreement.

Section 5.05 Survival of Certain Provisions Upon Termination. The rights and obligations of the parties under the following provisions shall survive termination of this Agreement: (i) each of the party's indemnity obligations in this Agreement with respect to events that occurred prior to the termination of this Agreement; and (ii) the rights and obligations of the parties under Sections and Article 5; and (iii) all other provisions of this Agreement that so provide. No termination of this Agreement shall (1) limit or otherwise affect the respective rights and obligations of the parties accrued prior to the date of such termination, or (2) preclude either party from impleading the other party in any Legal Proceeding originated by a third-party (including the Borough) as to any matter occurring during the Term of this Agreement.

Section 5.06 No Waivers. No action of USFOS or NET pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall

constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by USFOS or NET in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the USFOS or NET under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

Section 5.07 No Consequential or Punitive Damages. In no event shall either party be liable to the other or obligated in any manner to pay to the other, except with respect to indemnification of Loss-and-Expense imposed as a result of a Legal Proceeding brought by a third party for which USFOS or NET is obligated to indemnify the other pursuant to the provisions of this Agreement, any special, incidental, consequential, punitive or similar damages based upon claims arising out of or in connection with the performance or non-performance of its obligations under this Agreement, whether such claims are based upon contract, tort, negligence, warranty or other legal theory.

Section 5.08 Dispute Resolution.

(a) Forum for Dispute Resolution. All Legal Proceedings relating to this Agreement or to any rights or any relationships between the parties arising therefrom may be heard by any court of competent jurisdiction, including the courts of the State of Connecticut or the Federal District Courts for Connecticut. USFOS and NET each expressly consents to the jurisdiction of the courts of the State of Connecticut or the Federal District Courts for Connecticut, waives any objection to the laying of jurisdiction of any such action or proceeding in such courts, and waives its right to a trial by jury.

(b) Cost of Legal Proceedings. Except as otherwise required by the indemnification obligations of this Agreement, each party shall bear its own costs and expenses in any Legal Proceeding. Notwithstanding the foregoing, each party retains its rights to bring any Legal Proceeding or to implead the other party as to any matter arising hereunder.

(c) Non-Binding Mediation. Either party may request non-binding mediation of any dispute arising under this Agreement, whether technical or otherwise, under the terms of this section. Upon initiation of such a request, the parties agree to enter into non-binding mediation under the procedures of this section for a period of 45 days, or such longer period as the parties may agree, and during such period each of the parties agrees to refrain from the filing of, or to stay the pendency of, any Legal Proceedings relating to such dispute.

(1) The mediator shall be a professional engineer, attorney or other professional mutually acceptable to the parties who has no current or on-going relationship to USFOS, NET or the Borough. The mediator shall have full discretion as to the conduct of the mediation. Each party shall participate in the mediator's program to resolve the dispute until and unless the parties reach agreement with respect to the disputed matter or the period for non-binding mediation has expired.

(2) Mediation is intended to assist the parties in resolving disputes over the interpretation of this Agreement. No mediator shall be empowered to render a binding decision.

(3) Except as explicitly set forth in this Section, nothing in this Section shall limit, interfere with or delay the right of any party to commence judicial Legal Proceedings upon a breach of this Agreement by the other party, whether in lieu of, concurrently with, or at the conclusion of any non-binding mediation.

Article 6. INSURANCE, UNCONTROLLABLE CIRCUMSTANCES AND INDEMNIFICATION

Section 6.01 Required Insurance.

(a) USFOS Required Insurance. At all times during the Term of this Agreement, USFOS shall obtain and maintain the Required Insurance as defined and required under Article XIV and Appendix 10 of the WWTP Service Agreement. NET shall be identified as an additional insured on all such Required Insurance (including Workers' Compensation insurance). Prior to the Commencement Date and within 60 days prior to the beginning of each Contract Year, USFOS shall furnish to NET certificates of insurance to confirm the continued effectiveness of the Required Insurance.

(b) NET Required Insurance. At all times during the Term of this Agreement, NET shall obtain and maintain the Required Insurance as defined and required under Article XV and Appendix 10 of the Incineration Facilities Lease. USFOS shall be identified as an additional insured on all such Required Insurance (excluding Workers' Compensation insurance). Prior to the Commencement Date and within 60 days prior to the beginning of each Contract Year, NET shall furnish to USFOS certificates of insurance to confirm the continued effectiveness of the Required Insurance..

Section 6.02 Uncontrollable Circumstances.

(a) Relief from Obligations. Except as expressly provided under the terms of this Agreement, neither party to this Agreement shall be liable to the other for any loss, damage, delay, default or failure to perform any obligation to the extent it results from an Uncontrollable Circumstance. The parties agree that the relief for an Uncontrollable Circumstance described in this Section shall apply to all obligations in this Agreement, except to the extent specifically excluded by a particular provision hereunder, notwithstanding that such relief is specifically mentioned with respect to certain obligations in this Agreement but not other obligations. The occurrence of an Uncontrollable Circumstance shall not excuse or delay the performance of a party's obligation to pay monies previously accrued and owing under this Agreement, or to perform any obligation hereunder not affected by the occurrence of the Uncontrollable Circumstances. USFOS and NET shall pay to the other the respective Service Fees during the continuance of any Uncontrollable Circumstance, adjusted to account for any cost reductions achieved through mitigation measures required by Section 6.02(b), as well as for any cost increases to which USFOS or NET is entitled under Section 6.02.

(b) Notice and Mitigation. The party that asserts the occurrence of an Uncontrollable Circumstance shall notify the other party by telephone or facsimile, on or promptly after the date the party experiencing such Uncontrollable Circumstance first knew of the occurrence thereof, followed within 15 days by a written description of: (1) the Uncontrollable Circumstance and the cause thereof (to the extent known); and (2) the date the Uncontrollable Circumstance began, its estimated duration, and the estimated time during which the performance of such party's obligations hereunder shall be delayed, or otherwise affected. As soon as practicable after the occurrence of an Uncontrollable Circumstance, the affected party shall also provide the other party with a description of: (1) the amount, if any, by which the Service Fee is proposed to be adjusted as a result of such Uncontrollable Circumstance; (2) any areas where costs might be reduced and the approximate amount of such cost reductions; and (3) its estimated impact on the other obligations of such party under this Agreement. The affected party shall also provide prompt written notice of the cessation of such Uncontrollable Circumstance. Whenever an Uncontrollable Circumstance occurs, the party claiming to be adversely affected thereby shall, as promptly as practicable, use all reasonable efforts to eliminate the cause thereof, reduce costs resulting therefrom, mitigate and limit damage to the other party, and resume full performance under this Agreement. While the Uncontrollable Circumstance continues, the affected party shall give notice to the other party, before the first day of each succeeding month, updating the information previously submitted. The party claiming to be adversely affected by an Uncontrollable Circumstance shall bear the burden of proof, and shall furnish promptly any additional documents or other information relating to the Uncontrollable Circumstance reasonably requested by the other party.

(c) Conditions to Performance and Service Fee Relief. If and to the extent that Uncontrollable Circumstances interfere with, delay or increase the cost of a party's the Contract Services in accordance herewith, the affected party shall be entitled to relief from its performance obligations, an increase in a Service Fee, or an extension of schedule which properly reflects the interference with performance, the amount of the increased cost, or the time lost as a result thereof, to the extent reasonably required by the event, and the affected party shall perform all other Contract Services. The proceeds of any Required Insurance available to meet any such increased cost, and the payment of any deductible by the affected party required to maintain such Required Insurance, shall be applied to such purpose prior to any determination of cost increase payable by the other party under this Section. Any cost reduction from normal operating costs included within the Service Fee achieved through the mitigating measures undertaken by the affected party pursuant to Section 6.02(b) upon the occurrence of an Uncontrollable Circumstance shall be reflected in a reduction of the amount by which a Service Fee would have otherwise been increased to reflect such mitigation measures, as applicable.

(d) Claim Procedure. In the event that a party believes it is entitled to any performance, price or schedule relief on account of any Uncontrollable Circumstance, it shall furnish the other party written notice of the specific relief requested and detailing the event giving rise to the claim within 30 days after the giving of notice delivered pursuant to Section 6.02(b), or if the specific relief cannot reasonably be ascertained and such event detailed, within such 30-day period, then within such longer period within which it is reasonably possible to detail the event and ascertain such relief. Within 30 days after receipt of such a timely submission from the affected party, the other party shall issue a written determination as to the

extent, if any, it concurs with the claim for performance, price or schedule relief, and the reasons therefor.

Section 6.03 Indemnification by USFOS to NET. USFOS shall indemnify, defend and hold harmless the NET Indemnified Parties from and against any and all Loss-and-Expense imposed as a result of any Legal Proceeding brought by a third party arising from (1) any unexcused failure by the USFOS to perform its obligations under this Agreement; or (2) the negligence or willful misconduct of USFOS or any of its officers, directors, employees, representatives, agents or Subcontractors (other than NET) in connection with this Agreement. USFOS shall not, however, be required to reimburse or indemnify any NET Indemnified Party for any Loss-and-Expense to the extent caused by the negligence or willful misconduct of any NET Indemnified Party or to the extent attributable to any Uncontrollable Circumstance. A NET Indemnified Party shall promptly notify USFOS of the assertion of any claim against it for which it is entitled to be indemnified hereunder, and USFOS shall have the right to assume the defense of the claim in any Legal Proceeding and to approve any settlement of the claim. These indemnification provisions are for the protection of the NET Indemnified Parties only and shall not establish, of themselves, any liability to third parties. The provisions of this Section shall survive termination of this Agreement.

Section 6.04 Indemnification by NET to USFOS. NET shall indemnify, defend and hold harmless the USFOS Indemnified Parties from and against any and all Loss-and-Expense imposed as a result of any Legal Proceeding brought by a third party arising from (1) any unexcused failure by the NET to perform its obligations under this Agreement; or (2) the negligence or willful misconduct of NET or any of its officers, directors, employees, representatives, agents or Subcontractors (other than USFOS) in connection with this Agreement. NET shall not, however, be required to reimburse or indemnify any USFOS Indemnified Party for any Loss-and-Expense to the extent caused by the negligence or willful misconduct of any USFOS Indemnified Party or to the extent attributable to any Uncontrollable Circumstance. A USFOS Indemnified Party shall promptly notify NET of the assertion of any claim against it for which it is entitled to be indemnified hereunder, and NET shall have the right to assume the defense of the claim in any Legal Proceeding and to approve any settlement of the claim. These indemnification provisions are for the protection of the USFOS Indemnified Parties only and shall not establish, of themselves, any liability to third parties. The provisions of this Section shall survive termination of this Agreement.

Article 7. MISCELLANEOUS PROVISIONS

Section 7.01 Relationship Between the Parties. USFOS is an independent contractor of NET, and NET is an independent contractor of USFOS, and the relationship between the parties shall be limited to the performance of the obligations set forth in this Agreement in accordance with its terms. Neither party shall have any responsibility with respect to the services to be performed, or the contractual benefits assumed, by the other party. Nothing in this Agreement shall be deemed to constitute either party to be a partner, agent or legal representative of the other party, except as explicitly provided hereunder. No liability or benefits, such as workers compensation, pension rights or liabilities, or other provisions or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to any party's agent or employee as a result of this Agreement or the performance thereof.

Section 7.02 Interest on Overdue Obligations. Except as otherwise provided herein, all amounts due hereunder, whether as damages, credits, revenue, charges or reimbursements, that are not paid when due shall bear interest at the rate of interest which is the Overdue Rate, on the amount outstanding from time to time, on the basis of a 365-day year, counting the actual number of days elapsed, and such interest accrued at any time shall, to the extent permitted by Applicable Law, be deemed added to the amount due as accrued..

Section 7.03 Cost Substantiation.

(a) Substantiating Non-Fixed Costs. The Plant Sludge Service Fee, Incinerator Filtrate Fee, and Administrative Services Fee have been negotiated by the parties and fixed by the terms of this Agreement and are not subject to Cost Substantiation as provided in Section 7.03(b), except to the extent otherwise specifically set forth in this Agreement. Any other cost proposed or incurred by a party which is directly or indirectly chargeable to the other party in whole or in part hereunder (including without limitation costs related to emergency actions, other additional work necessitated or additional costs to be borne on account of Uncontrollable Circumstances or the fault of the other party) shall be the fair market price for the good or service provided, or, if there is no market, shall be a commercially reasonable price. The party claiming the right to such reimbursement shall provide certified Cost Substantiation for all such other costs invoiced to the Lessor hereunder except lump sum payments agreed to by the parties in advance of undertaking the work.

(b) Cost Substantiation Certificate Any certificate delivered hereunder to substantiate cost shall be signed by a senior management officer of the party seeking reimbursement, shall state the amount of such cost and the provisions of this Agreement under which such cost is properly chargeable to the other party, shall describe the competitive or other process utilized by the party seeking reimbursement to obtain a fair market price, and shall state that such cost is a fair market price for the service or materials to be supplied (or, if there is no market, that such cost is commercially reasonable) and that such services and materials are reasonably required pursuant to this Agreement. The certificate shall be accompanied by copies of such documentation as shall be necessary to reasonably demonstrate that the cost as to which Cost Substantiation is required has been paid or incurred. Such documentation shall be in a format reasonably acceptable to the party from whom reimbursement is sought and shall include reasonably detailed information concerning: (1) all subcontracts; (2) the amount and character of materials and services furnished, the persons from whom purchased, the amounts payable therefor and related delivery and transportation costs and any sales or personal property taxes; (3) a statement of the equipment used and any rental payable therefor; (4) employee hours, duties, wages, salaries, benefits and assessments; and (5) profit, administration costs, bonds, insurance, taxes, premiums overhead, and other expenses. The rights of a party to reimbursement of Cost Substantiated costs shall be subject to the limitations set forth in this Section.

(c) Technical Services. For costs proposed or incurred by a party that are subject to Cost Substantiation, the personnel and personnel of subcontractors providing technical services shall be billed at their then currently applicable rates for similar services on projects of similar size and scope. The party seeking reimbursement shall use commercially reasonable efforts to use available Lessee personnel for additional work hereunder before using subcontractors.

(d) Mark-Up. The party seeking reimbursement will be entitled to a mark-up of 10% for a combination of overhead, risk, profit and contingency on any goods or services the costs of which are subject to Cost Substantiation hereunder. No mark-up will be added to costs for lodging and meals or travel. Construction and operation Subcontractors similarly will be entitled to such mark ups with respect to their personnel costs but no mark ups for costs for their lodging and meals or travel.

(e) Evidence of Costs Incurred. To the extent reasonably necessary to confirm direct costs required to be Cost Substantiated, copies of timesheets, invoices, canceled checks, expense reports, receipts and other documents, as appropriate, shall be delivered to the party from whom reimbursement is sought with the request for reimbursement of such costs.

Section 7.04 Assignment; Termination of Certain Obligations.

(a) Assignment. Subject to Section 7.04(b), USFOS may assign its rights and obligations to the successor operator of the Managed Assets with the approval of NET, which approval shall not be unreasonably withheld. Subject to Section 7.04(b), NET may assign its rights and obligations to the successor operator of the Incineration Facilities with the approval of USFOS, which approval shall not be unreasonably withheld.

(b) Termination of Certain Obligations. In the event that either USFOS ceases to be the operator of the Managed Assets, or NET ceases to be the operator of the Incineration Facilities, any obligations relating to the provision of administrative services under Section 3.03 shall be terminated and Section 3.03 shall be of no further force and effect.

Section 7.05 Binding Effect. This Agreement shall bind and inure to the benefit of and shall be binding upon the USFOS and NET and any assignee acquiring an interest hereunder consistent with Section 7.04.

Section 7.06 Amendment and Waiver. This Agreement may not be amended except by a written amendment signed by USFOS and NET, and approved by the Borough, which approval shall not be unreasonably delayed, withheld or conditioned. Any of the terms, covenants, and conditions of this Agreement may be waived at any time by the party entitled to the benefit of such term, covenant or condition if such waiver is in writing and executed by the party against whom the waiver is asserted.

Section 7.07 Notices.

(a) Procedure. All notices, consents, approvals or written communications given pursuant to the terms of this Agreement shall be: (1) in writing and delivered in person; (2) transmitted by certified mail, return, receipt requested, postage prepaid or by overnight courier utilizing the services of a nationally recognized overnight courier service with signed verification of delivery; or (3) given by facsimile transmission, if a signed original is deposited in the United States Mail within two days after transmission. Notices shall be deemed given only when actually received at the address first given below with respect to each party. Either party may, by like notice, designate further or different addresses to which subsequent notices shall be sent.

(b) USFOS Notice Addresses. Notices required to be given to USFOS shall be addressed as follows:

U.S. Filter Operating Services, Inc.
500 Cherry Street
Naugatuck, CT 06770
Attn: Service Manager
Telephone: (203) 723-1433
Telecopy: (203) 723-8539

With a copy to:

U.S. Filter Operating Services, Inc.
4950 Heathrow Forest Parkway
Suite 200
Houston, TX 77032
Attn: General Counsel
Telephone: (281) 985-5424
Telecopy: (281) 985-5595

(c) NET Notice Address. Notices required to be given to NET shall be addressed as follows:

President
Naugatuck Environmental Technologies LLC
500 Cherry Street
Naugatuck, CT 06670
Telephone: (203) 723-1433
Telecopy: (203) 723-8539

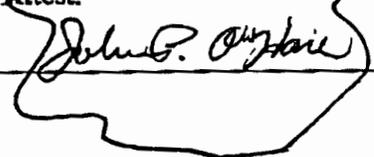
With copy to:

US Filter Wastewater Group, Inc.
55 Shuman Blvd.

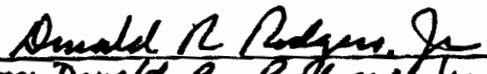
Naperville, IL 60563
Attn: General Counsel
Telephone: (630) 717-2218
Telecopy: (630) 717-4594

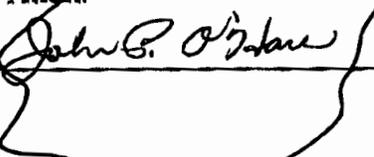
Section 7.08 Further Assurances. USFOS and NET each agree to execute and deliver such further instruments and to perform any acts that may be necessary or reasonably requested in order to give full effect to this Agreement. USFOS and NET, in order to carry out this Agreement, each shall use all commercially reasonable efforts to provide such information, execute such further instruments and documents and take such actions as may be reasonably requested by the other and not inconsistent with the provisions of this Agreement and not involving the assumption of obligations or liabilities different from or in excess of or in addition to those expressly provided for herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written:

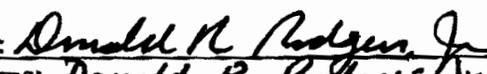
Attest:


For U.S. FILTER OPERATING SERVICES, INC.:

By: 
Name: Donald R. Rodgers, Jr.
Title: Sr. Vice President

Attest:


For NAUGATUCK ENVIRONMENTAL TECHNOLOGIES LLC

By: 
Name: Donald R. Rodgers, Jr.
Title: Sr. Vice President

Approved by the BOROUGH OF NAUGATUCK

Attest:

By: _____
Name:
Title:

Approved by THE WATER POLLUTION CONTROL AUTHORITY OF THE BOROUGH OF NAUGATUCK

Attest:

By: _____
Name:
Title:

Approved as to Form:

Borough Attorney

Appendices

- Appendix A. Staffing Plan
- Appendix B. Position Descriptions
- Appendix C. Procedure for Converting Measured Volumes of Plant Sludge to Dry Ton Basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written:

For U.S. FILTER OPERATING SERVICES, INC.:

Attest:

By:

Name:

Title:

For NAUGATUCK ENVIRONMENTAL TECHNOLOGIES LLC

Attest:

By:

Name:

Title:

Approved by the BOROUGH OF NAUGATUCK

Attest:

W. Keenan

By:

Name: *Joan B. Taf*

Title: *MAYOR*

Approved by THE WATER POLLUTION CONTROL AUTHORITY OF THE BOROUGH OF NAUGATUCK

Attest:

W. Keenan

By:

Name: *Joan B. Taf*

Title: *mayor*

Approved as to Form:

John H. McHenry
Borough Attorney

Appendices

Appendix A. Staffing Plan

Appendix B. Position Descriptions

Appendix C. Procedure for Converting Measured Volumes of Plant Sludge to Dry Ton Basis.

Shared Services Agreement
Appendix 1 : Staff Plans

A. WWTP

- 1 - Project Manager
- 1 - Assistant Project Manager
- 1 - Laboratory Manager
- 1 - Administrative Assistant
- 5 - Operators
- 2 - Mechanics
- 1 - Senior Collection Operator

12 - Total

B. NET LLC

- 1 - Marketing Manager
- 1 - Senior Operator
- 5 - Operators
- 1 - Mechanic

8 - Total

Shared Services Agreement

Appendix 2: Position Descriptions

Project Manager

Responsible for the daily operations, coordinates with the Client and the LLC. Responsible for staff, administration, operations and maintenance. Is contact person for State and local authorities, is the Company representative. Coordinates Biosolids contracts with the Marketing Manager.

Assistant Project Manager

Responsible for day to day operations, reports to the Project Manager. Coordinates daily job duties with operations, maintenance and lab staff. May be company representative for regulatory issues, assists the Project manager in Budget and administration.

Laboratory technician

Responsible for the daily operations of the facility lab, coordinates sampling schedule with operations, conducts process and requires sample analysis. Responsible for QA/QC procedures, outside laboratory analysis. Coordinates regulatory reporting with the PM/APM.

Administrative Assistant

Assists the PM in administrative functions. Maintains records for payroll, purchasing and Biosolids records for the LLC.

Senior Operator

Reports to the PM/APM, direct supervision of facility operators, operates and conducts minor maintenance of all plant equipment. Collects samples and provides documentation in the form of records/forms and/or log books

Operator

Operates and maintains all plant equipment under the supervision of the Senior operator and/or the PM/APM. Assists maintenance and Collection staff as required. Collects samples and provides documentation in the form of records/forms and/or log books.

Senior Collection Operator

Reports to the PM/APM, supervision of collections system and pump station operations and maintenance. Operates and maintains collection system and pump station equipment, provides reports and takes required samples.

Mechanic

Reports to the PM/APM, repairs and maintains all plant, pump station equipment. Provides reports, tracks repairs and assists operations as directed.

Marketing Manager

Reports to the Area Manager and the PM. Conducts contract negotiations with prospective Biosolids clients, monitors existing contracts and coordinates with other USFOS facilities.

Shared Services Agreement
Appendix 3 – Dry Ton Calculation

A= Million Gallons of liquid sludge pumped from WWTP to NET LLC storage
(Includes WAS, Primary and all liquid sludges from the WWTP)

B= Average percent solids of liquid sludge produced by the WWTP

C = Total Pounds

D = Dry Tons

$$C = A * (B * 10,000) * 8.34$$

$$D = C / 2000$$

Example:

$$A = 2,000,000 \text{ gals or } 2 \text{ MG}$$

$$B = 5\%$$

$$C = 2 * (5 * 10,000) * 8.34$$

$$C = 834,000$$

$$D = 834,000 / 2000$$

$$D = 417 \text{ DT}$$