

COPY

COST-SHARING AGREEMENT

This Cost-Sharing Agreement (this "Agreement"), dated as of April 25, 2016, is entered into by and among The Miami Beach Association, located in the Town of Old Lyme, Connecticut and The Miami Beach Association Water Pollution Control Authority, located in the Town of Old Lyme, Connecticut (collectively, "Miami Beach"), The Old Lyme Shores Beach Association, located in the Town of Old Lyme, Connecticut and The Old Lyme Shores Beach Association Water Pollution Control Authority, located in the Town of Old Lyme, Connecticut (collectively, "Old Lyme Shores"), and The Old Colony Beach Club Association, located in the Town of Old Lyme, Connecticut and The Old Colony Beach Club Association Water Pollution Control Authority, located in the Town of Old Lyme, Connecticut (collectively, "Old Colony" and together with Miami Beach and Old Lyme Shores, the "Associations").

WHEREAS, the Associations wish to construct a shared sewerage system to serve each respective Association, including, but not limited to, certain devices, equipment, appurtenances, plant facilities, pump stations and methods of collecting, transporting, receiving, disposing of or discharging sanitary sewage in and for the Associations all as more particularly set forth on Exhibit A attached hereto (collectively, the "Wastewater System"), and engage in the Operation and Maintenance (as defined below) of the Wastewater System to and for the Associations (collectively, the "Wastewater Activities");

WHEREAS, pursuant to resolutions duly approved and adopted by the Governing Board of each Association, the Associations have appropriated funds and authorized the issuance of obligations under the Clean Water Fund Program (as defined herein) for the planning, acquisition, financing, design and construction of the shared components of the Wastewater System, including, but not limited to, connection fees for the conveyance of sewage to a Sewerage Facility and all costs associated with connecting to the Sewerage Facility, pump stations, shared force mains and gravity sewers, odor control facilities, acquisition of real property as may be required for the project, engineering, land surveying, geophysical and corrosion studies, rights of way and easements, storm drainage improvements, road reconstruction, bridge crossing, and all other tasks related to the planning, acquisition, design and construction of said project, all to be completed in substantial accordance with the Plan (as defined herein), and as more particularly set forth on Exhibit A attached hereto (collectively, the "Project");

WHEREAS, the Associations wish to finance the Costs (as defined herein) related to the Project by entering into certain project loan and project grant agreements with the State of Connecticut through the Clean Water Fund Program (CWF Agreement);

WHEREAS, the Associations shall enter into a joint CWF Agreement and Joint Interim Funding Obligation for the financing of the Costs related to the Project during the construction period, in anticipation of each Association entering into a separate project loan obligation under the Clean Water Fund Program to permanently finance each Association's respective share of the Costs of the Project through the Clean Water Fund Program upon completion of the Project;

WHEREAS, each Association shall enter into (i) a CWF Agreement to be entered into by all of the Associations for the aggregate of design and construction Costs related to the Project;

and (ii) a CWF Agreement related to such Associations specific project pursuant to the Clean Water Fund Program separate and apart from the Project;

WHEREAS, the Associations desire to enter into a cost-sharing arrangement for that portion of the Costs of the Project and certain ongoing Operation and Maintenance (as defined herein) directly attributable to each Association pursuant to the cost apportionment schedule set forth on Exhibit B; and

WHEREAS, the Associations desire to enter into this Agreement to memorialize their mutual understanding regarding the cost-sharing arrangement for the Project and Operation and Maintenance.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants, representations, warranties and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

1. Certain Definitions.

For purposes of this Agreement, the following terms shall have the following meanings:

“*Annual Settlement Statement*” shall have the meaning given to such term in Section 2.2(b) hereof.

“*Clean Water Fund Program*” shall mean funding provided by the State of Connecticut Department of Energy and Environmental Protection under Section 22a-475, *et. seq.*, of the Connecticut General Statutes, as the same may be amended from time to time.

“*Contribution*” shall have the meaning given to such term in Section 2.2(a) hereof.

“*Costs*” shall mean the aggregate amount of all costs and expenses authorized and directly incurred and paid for materials, supplies, labor, overhead, financing, and services, provided by third parties in connection with the Project and Operation and Maintenance, minus any costs and expenses incurred in connection with the Project or Operation and Maintenance that were paid or funded by or through a public or private grant or other source which does not require repayment.

“*Governing Board(s)*” shall be an Associations Board of Governors or Board of Directors of each separate Association in this CSA operating under their respective Charters.

“*Party (ies)*” shall be the Committee, Associations, Governing Boards and any other named entity involved with the CSA.

“*Committee*” shall have the meaning given to such term in Section 2.1(a) hereof.

“*CWF Agreement*” shall have the meaning given to such term in the Recitals hereof.

“*Disputed Costs*” shall have the meaning given to such term in Section 2.3 hereof.

"*Easements*" shall have the meaning given to such term in Section 4.1 hereof.

"*EDU*" shall mean equivalent dwelling unit for the purposes of comparing wastewater flows and sharing costs for the Wastewater System

"*Initial Term*" shall have the meaning given to such term in Section 4.1 hereof.

"*Joint Interim Funding Obligation*" shall have the meaning given to such term in Section 2.1(e) hereof.

"*Law*" shall mean all applicable federal, state, local, foreign or other laws, rules, regulations, consent decrees, consent orders, consent agreements, judgments, actions, determinations or orders of, federal, state, local, foreign or other authorities, and all orders, writs, decrees, and consents of any governmental or political subdivision or agency thereof, or any court or similar entity established by any such governmental or political subdivision or agency thereof.

"*O&M Contribution*" shall have the meaning given to such term in Section 2.2(a).

"*O&M Provider*" shall have the meaning given to such term in Section 2.2(c) hereof.

"*Operation and Maintenance*" shall mean all emergency, predictive, preventive, corrective and ongoing maintenance, repair or replacement of that portion of the Wastewater System that is allocable to all Associations, performed in accordance with Prudent Industry Practices and the terms and provisions of this Agreement, as necessary to repair and maintain that portion of the Wastewater System that is allocable to all Associations in good working order and repair and in neat and orderly condition.

"*Operations Year*" shall mean July 1 through June 30.

"*Payment Notice*" shall have the meaning given to such term in Section 2.1(e) hereof.

"*Plan*" shall mean the plans and specifications for the Project, prepared by Fuss & O'Neill, Inc., and attached hereto as Exhibit A, as the same may be amended by the unanimous consent of all of the Associations from time to time.

"*Project*" shall have the meaning given to such term in the second Recital hereto.

"*Project Contribution*" shall have the meaning given to such term in Section 2.1(c) hereof.

"*Project Cost-Sharing Schedule*" shall mean the certain apportionment of Costs associated with the Project prepared by Fuss & O'Neill, Inc., as set forth in Exhibit B attached hereto.

"*Project Cost Statement*" shall have the meaning given to such term in Section 2.1(d) hereof.

"Prudent Industry Practices" shall mean the practices, methods and acts engaged in or approved by the wastewater treatment industry for comparable projects that at a particular time, in the exercise of reasonable judgment in light of the facts known or that reasonably should have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with Law, and standards regarding reliability, safety, environmental protection, reasonable economy and expedition. Prudent Industry Practices include, but are not limited to, taking all reasonable steps to provide that with respect to the Wastewater System (i) adequate materials, resources and supplies necessary to meet operation, maintenance, repair and replacement obligations are available, (ii) preventative, routine and corrective maintenance and repairs are performed properly; (iii) appropriate monitoring and testing is done to ensure that equipment is functioning as designed and to provide assurance that equipment will function properly under normal conditions and will function in accordance with design parameters under emergency conditions, and (iv) equipment is not operated in a careless or imprudent manner or in a manner unsafe to workers, the general public or the environment.

"Refund" shall have the meaning given to such term in Section 2.4 hereof.

"Returned Funds" shall have the meaning given to such term in Section 2.4 hereof.

"Sewerage Facility" shall mean a wastewater collection and/or treatment facility in East Lyme, Waterford, or New London utilized for conveyance and/or treatment of sanitary sewage generated by the Associations.

"Useful Life" shall mean the period of time during which the Wastewater System is considered useful and usable by the Associations in accordance with Prudent Industry Practices.

"Wastewater Activities" shall have the meaning given to such term in the first Recital hereto.

"Wastewater System" shall have the meaning given to such term in the first Recital hereto.

2. Cost-Sharing.

2.1. Cost-Sharing Arrangement for the Project.

(a) The Project shall be designed, constructed and operated jointly as determined by a committee comprised of one (1) representative from each Association (the "Committee"). Each Association representative to the Committee shall be nominated by their respective WPCA for a three (3) year term and appointed with majority approval by their respective Association Governing Board. Each Association representative to the Committee shall be entitled to one (1) vote on all matters related to the Project and Operations and Maintenance. Any action taken by the Committee with respect to Operations and Maintenance, or any other matter related to the Project, shall be by unanimous vote of the Committee, and such unanimous vote of the Committee shall be deemed to be approval by each Association of any such action, except when such vote shall be related to location(s) of sewage system infrastructure, pump station, and the granting of rights of ways and / or real estate transactions of any kind which in such case shall require the approval of the Associations Governing Boards operating under their

respective Charters. The Associations agree that the Committee will meet on a periodic basis, as is necessary and no less than one (1) time per year, to discuss the Project, the Operations and Maintenance, and such other matters as the Associations individually desire. Notice of such Committee meetings shall be given by the Committee to the Associations at least five (5) calendar days prior to the date of such meeting to the addresses set forth in Section 6.3 hereof.

(b) The Committee shall design, construct, operate and maintain the Project in accordance with a Final Plan approved by each and every Association. Upon the approval of the Final Plan by all of the Associations and any amendments thereto, the Associations shall amend Exhibit A and Schedule 4.1 hereto to remove the Draft Plan and to reflect the revised and Final Plan as approved by each and every Association.

(c) On the terms of and subject to the conditions set forth in this Agreement, each Association agrees to pay for the Costs related to the Project attributable to each such Association based on the percentage of EDU's (each a "Project Contribution"), as determined in accordance with the Project cost-sharing schedule attached hereto as Exhibit B. The Associations agree to seek bids and award an agreement to the lowest responsible bidder(s) for services related to the design and/or construction of the Project, subject to and in accordance with Section 2.1(a) hereof. Each of Old Lyme Shores, Old Colony, and Miami Beach shall approve any and all agreements to be entered into with such responsible bidders in accordance with each Association's governing documents prior to entering into any agreement for such design and/or construction services.

(d) Any and all Costs related to the Project shall be approved by the Committee in accordance with Section 2.1(a) hereof. Pursuant to the terms of the Joint Interim Funding Obligation, each Association shall make, or cause to be made on its behalf, all payments for Costs on a timely basis, and each Association shall provide the other Associations with a statement of Costs together with reasonable supporting documentation of such Costs within twenty (20) days after the end of each calendar month for the preceding month's Costs (each a "Project Cost Statement).

(e) The Associations agree to enter into a CWF Agreement to be executed jointly by all three Associations for the Project with one interim funding obligation to be issued jointly by all three Associations pursuant to such CWF Agreement (the "Joint Interim Funding Obligation"). The Joint Interim Funding Obligation shall be used to pay for the loan eligible Costs related to the Project pursuant to the Clean Water Fund Program with such Association responsible for its respective share in accordance with the Project cost-sharing schedule attached hereto as Exhibit B. The Associations agree to enter into the Joint Interim Funding Obligation through the Clean Water Fund Program to finance the Costs related to the design and construction of the Project, and that upon completion and placement in service of the Project for each Association, the Associations shall each, separately and individually, enter into a project loan obligation under the Clean Water Fund Program to permanently finance each Association's respective share of the Costs related to the Project and financed through the Joint Interim Funding Obligation. Upon issuance of an Association's project loan obligation under the Clean Water Fund Program, the associated costs permanently financed shall reduce the amount of the Joint Interim Funding Obligation and each such Association issuing such project loan obligation shall provide the other Associations with written notice evidencing same (the "Payment

Notice”). The Payment Notice shall set forth in sufficient detail (i) the total Costs paid by such Association and financed through the interim funding obligation through the Clean Water Fund Program, (ii) all amounts permanently financed for the Project through the Clean Water Fund Program by such Association, (iii) a certificate of the project engineer certifying to the Associations that the Project has been completed and placed into service for such Association, and (iv) any other information or certificates reasonably requested by any of the other Associations.

(f) In the event that any costs of the Project are not eligible for loans or grants through the Clean Water Fund Program, then the Associations shall be responsible for such non-reimbursable costs as applicable, and in accordance with the Project cost-sharing schedule attached hereto as Exhibit B.

2.2. Cost-Sharing Arrangement for Operation and Maintenance.

(a) The Associations agree to perform all Operation and Maintenance on the Project and to share the Costs of Operation and Maintenance that is allocable to each Association as set forth on Exhibit B, subject to and in accordance with Section (a) hereof. The Associations agree to (i) appoint one (1) Association with the responsibility to pay for Operation and Maintenance and the other Associations being obligated to reimburse and/or deposit monies in advance for each Association’s share of such Costs, or (ii) hire a management company to oversee and/or pay for Operation and Maintenance and reimburse and/or deposit monies in advance with such management company for each Association’s share of such Costs, or (iii) set up such other mechanism as agreed to by all of the Associations, all subject to and in accordance with Section (a) hereof. On the terms of and subject to the conditions set forth in this Agreement, each Association agrees to pay for the Costs related to the Operation and Maintenance attributable to each such Association based upon the flow apportionment data for the prior Operations Year as prepared by an independent consultant (each an “O&M Contribution”, and collectively with a Project Contribution, a “Contribution”). Each of the Associations agrees to budget, on an annual basis, the anticipated annual Costs for Operation and Maintenance allocable to each such Association. Each Association shall be invoiced within twenty (20) days after the end of each calendar month for the following month’s Costs related to Operation and Maintenance. Each Association shall make payment to the agreed upon party of each invoiced O&M Contribution amount within twenty (20) days of receipt thereof.

(b) Within sixty (60) days after the end of each Operations Year, each Association shall be provided with an annual settlement statement, which shall show the computation, together with reasonable supporting documentation, of the Costs associated with Operation and Maintenance (and a reconciliation in reasonable detail of such Costs so computed) with the amounts paid during the Operations Year (the “Annual Settlement Statement”). If the reconciliation as set forth in each such Annual Settlement Statement is such that one or more Association have underpaid or overpaid, as the case may be, the Costs associated with Operations and Maintenance as set forth in the Annual Settlement Statement, such Association or Associations shall within thirty (30) days of the Annual Settlement Statement refund the overpayment and/or pay the additional amount due to the other Associations, as applicable, within thirty (30) days of the receipt of the Annual Settlement Statement.

(c) The Associations may enter into an operation and maintenance services agreement with a third party provider (an "O&M Provider"), subject to and in accordance with Section 2.1(a) hereof, whereby the O&M Provider agrees to perform all Operation and Maintenance with respect to the Project on behalf of all of the Associations.

2.3. Disputed Costs.

Notwithstanding the foregoing Sections 2.1 and 2.2, if any Association disputes the payment, validity or reasonableness of all or any portion of the Costs set forth on a Project Cost Statement or Annual Settlement Statement (the "Disputed Costs"), all of the Associations shall resolve such dispute pursuant to the terms of Section 3 of this Agreement; provided, however, that in a timely manner and in accordance with Section 2.2(a) or 2.2(b), as applicable, any Association, as the party disputing the Costs, shall pay its share of the undisputed portion of the Costs set forth on the Payment Notice or Annual Settlement Statement and shall pay the amount of the Disputed Costs into an escrow account established for such purpose and maintained by an entity (including either party hereto) mutually agreed upon by the parties, and the amount of the Disputed Costs shall remain in escrow pending resolution of the dispute. The prevailing party in any such dispute shall be entitled to reimbursement of reasonable legal fees incurred by such party in relation to the resolution of the dispute.

2.4. Return of Funds.

If at any time any Association receives from a payee a refund, rebate or other return of payment of all or any portion of Costs (the "Returned Funds"), such Association shall promptly refund the allocable portion of the Returned Funds to each of the other Associations, as applicable, in immediately available funds (the "Refund"), provided, however, that no Refund shall be due unless such party previously paid a Contribution toward such Returned Funds.

2.5. Commercially Reasonable Efforts.

The Committee and each of the Associations shall at all times act in good faith and use commercially reasonable efforts to complete the Project and perform the Operation and Maintenance in an economically efficient manner without the waste of time or funds.

3. Dispute Resolution.

3.1. Negotiation

The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between representatives of each party who are at a higher level of management or Associating Governing Boards than the persons with direct responsibility for administration of this Agreement. The parties agree that each Association shall be entitled to one vote on matters related to any dispute arising out of or relating to the Project, and that any action taken by the Associations with respect to such disputes shall be by unanimous vote of the Associations. Either party may give the other party written notice of any dispute not resolved in the normal course of business. Within fifteen (15) days after delivery of the notice, the receiving party shall submit to the other party a written response. The notice and response shall each include (a) a statement of that party's position and a summary of arguments

supporting that position, and (b) the name and title of the representative who will represent that party and of any other person who will accompany the representative. Within fifteen (15) days after delivery of the initial notice, the representatives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other related to the dispute will be honored. All deadlines specified in this Section 3.1 may be extended by ~~unanimous~~mutual agreement of the parties.

3.2. Arbitration

In the event the time for negotiation in Section 3.1 has lapsed and the dispute remains unresolved, then any of the parties can refer the matter to binding arbitration as the alternative dispute resolution. Arbitration shall be governed by the Federal Arbitration Act and conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then applicable for disputes in Connecticut. Connecticut law shall govern this Agreement to arbitrate. The Parties shall mutually agree upon a single arbitrator, provided, however if the Parties fail to agree on an arbitrator within ten (10) business days, the parties agree to revert back to AAA for the appointment of an arbitrator. The arbitrator shall have the authority to issue an award to the prevailing party or parties and the non-prevailing party shall be responsible for the costs associated with such arbitration, including the reasonable attorneys' fees of the prevailing party or parties.

4. Term and Termination; Survival; Indemnification.

4.1. Term.

(a) This Agreement shall commence as of the date first written above and shall continue in effect until twenty-one (21) years from the substantial completion of the Project (the "Initial Term"), unless sooner terminated in accordance with the terms of this Agreement. The Initial Term shall automatically renew and remain in full force and effect and continue for such period of time equal to the remainder of the Useful Life of the Wastewater System, unless and until terminated by the Associations in accordance with the terms of this Agreement. The Associations agree that the conditions precedent to the effectiveness of this Agreement shall be (i) the purchase or lease and delivery of the specific easements set forth in Schedule 4.1 attached hereto (collectively, the "Easements"); (ii) each Association shall have entered into and issued the Joint Interim Funding Obligation; and (iii) each of the Associations shall have entered into a project loan and project grant agreement with the State of Connecticut through the Clean Water Fund Program with sufficient project loan and project grant proceeds, together with ineligible Costs under the Clean Water Fund Program, if any, sufficient to fund each Association's respective share of the Costs of the Project. Each of the Associations covenant and agree that upon fulfillment of such conditions precedent, each Association shall deliver a certificate executed by a duly authorized official of such Association certifying to the other Associations and the State of Connecticut, if required, that all of the foregoing conditions precedent have been met and construction of the Project is to commence forthwith. If such conditions precedent are not met in full, this Agreement shall be void and of no further force or effect.

4.2. Termination and Withdrawal.

This Agreement shall be terminated only as follows:

- (a) at any time upon unanimous written consent of all of the Associations; or
- (b) following the expiration of the Initial Term by the withdrawal of Miami Beach, Old Lyme Shores, or Old Colony for any reason upon one hundred eighty (180) days written notice to the other parties.

(c) With the termination of this agreement for any reason stated in Section 4.1 all costs associated with the terms and provisions of any section of this CSA shall be due and payable equally by the Associations.

4.3. Survival.

The rights and obligations of the parties hereto pursuant to this Agreement shall survive the expiration or termination of this Agreement for a period equal to the applicable statute of limitations and no such expiration or termination of this Agreement shall limit or otherwise affect the respective rights and obligations of the parties hereto accrued prior to the date of such termination.

5. Project.

The Project shall be an asset owned by the Associations based on the percentage of EDU's (each a "Project Contribution"), as determined in accordance with the Project cost-sharing schedule attached hereto as Exhibit B. The Associations shall execute and deliver any and all recording and/or conveyance documents reasonably necessary to evidence ownership of such interest. The Associations may allow additional parties to use or access the shared portion of such Project in any manner as may be determined by a unanimous vote of the Committee.

6. Miscellaneous Provisions.

6.1. Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural, references to any gender include the other genders, the terms "include" or "including" are not limiting and has the respective inclusive meaning represented by the phrases "include without limitation" and "including without limitation;" and the term "or" has the inclusive meaning represented by the phrase "and/or." The terms "hereof," "herein," "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement.

6.2. Amendment.

Neither this Agreement, nor any of the terms or provisions hereof, may be amended, modified, supplemented or waived except by a written instrument signed by all of the parties hereto.

6.3. Notices.

All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (i) upon delivery if delivered by hand; (ii) upon receipt if mailed by express, certified or registered mail, with postage prepaid, in the continental United States; or (iii) upon receipt if sent by a nationally recognized overnight courier service that regularly maintains records of items picked up and delivered;

If to Miami Beach:

Miami Beach Association
P.O. Box 91
Old Lyme, CT 06371
Attn: President

Cc: Miami Beach Association Water Pollution
Control Authority
P.O. Box 91
Old Lyme, CT 06371
Attn: Chairman of the Miami Beach
Association Water Pollution Control Authority

If to Old Lyme Shores: Old Lyme Shores Beach Association
P.O. Box 80
South Lyme, CT 06376
Attn: President

Cc: Old Lyme Shores Beach Association
Water Pollution Control Authority
Old Lyme Shores Beach Association
P.O. Box 80
South Lyme, CT 06376
Attn: Chairman of the Old Lyme Shores Beach
Association Water Pollution Control Authority

If to Old Colony: Old Colony Beach Club Association
P.O. Box 10
South Lyme, CT 06376
Attn: Chairman of the Board of Governors

Cc: Old Colony Beach Club Association Water
Pollution Control Authority
P.O. Box 10
South Lyme, CT 06376
Attn: Chairman of the Old Lyme WPCA

In all cases, with a copy to: Robinson & Cole LLP
280 Trumbull St.
Hartford, CT 06103
Attn: Glenn Santoro, Esq.

6.4. Binding Effect; Assignment.

This Agreement, including all exhibits attached hereto, and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective administrators, legal representatives, successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned or assignable by any of the parties hereto without the prior written consent of the other party. In the event of an agreed and permitted assignment by a party, such party shall remain contingently liable for its obligations hereunder to the extent such obligations are not collected from the assignee, provided that the remaining Associations shall be required to use commercially reasonable efforts to obtain remedy, collection and relief for such breach from the assignee. Any attempted assignment in violation of this Agreement shall be null and void.

6.5. Governing Law.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Connecticut, without regard to its principles of conflict or choice of law.

6.6. Counterparts.

This Agreement may be executed in two or more counterparts, including by way of facsimile, each of which shall be deemed an original, but all of which together shall constitute the same instrument.

6.7. Headings.

The headings of the sections of this Agreement are inserted for convenience only and shall not constitute a part or affect in any way the meaning or interpretation of this Agreement.

6.8. Entire Agreement.

This Agreement sets forth the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and supersedes all prior agreements, promises, letters of intent, covenants, arrangements, communications, representations or warranties, whether oral or written, by any party hereto or by any officer, director or agent of any party hereto.

6.9. Third Parties.

Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon or give to any person, entity or governmental authority other than the parties hereto, and their respective successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

6.10. Severability.

The invalidity of any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part hereof, and, if any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement shall be declared invalid by a court of competent jurisdiction, this Agreement shall be construed to most closely effectuate the intentions of the parties and to be valid.

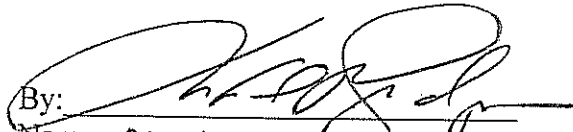
6.11. Waiver of Compliance.

Any failure of any of the Associations to comply with any obligation, covenant, agreement or condition herein may be expressly waived in writing by an authorized officer of Miami Beach, Old Lyme Shores or Old Colony, respectively, but such waiver or failure to insist upon strict compliance with any such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

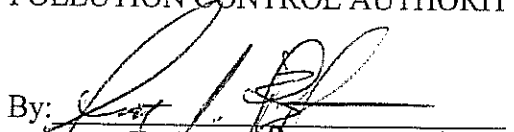
THE NEXT PAGE IS THE SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto here executed, or caused to be executed, this Agreement on the date first written above.

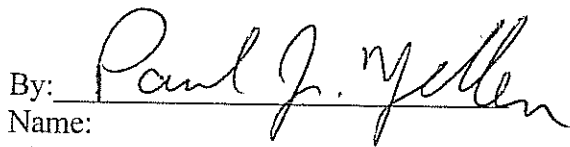
THE MIAMI BEACH ASSOCIATION

By: 
Name: MICHAEL A. GARDNER
Title: President

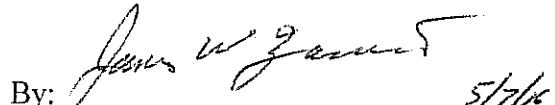
THE MIAMI BEACH ASSOCIATION WATER POLLUTION CONTROL AUTHORITY

By: 
Name: Scott J. Boulanger
Title: MBA Water Chairman

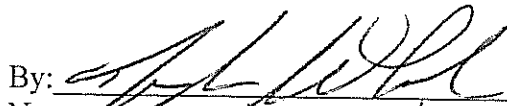
THE OLD LYME SHORES BEACH ASSOCIATION

By: 
Name: Paul J. Yellen
Title:


THE OLD LYME SHORES BEACH ASSOCIATION WATER POLLUTION CONTROL AUTHORITY

By: 
Name: James W. Zarnick 5/7/16
Title: Chairman OLSBA-WPCA

THE OLD COLONY BEACH CLUB ASSOCIATION

By: 
Name: Douglas Whalen
Title: Chairman

THE OLD COLONY BEACH CLUB ASSOCIATION WATER POLLUTION CONTROL AUTHORITY

By: 
Name: Frank Doe
Title: Chairman

Schedule 4.1

Draft easements to be delivered to the Associations

This draft Plan-dated as of August 27, 2015, calls for two (2) alternative approaches for the site of the pump station. Under Alternative 1, the pump station will be located on land belonging to the Miami Beach Association. Under Alternative 2, the pump station will be located on land belonging to the Town of Old Lyme. In addition, the two other Associations and / or private lands will also be considered for the location of the pump station and pipe easements. In accordance with Section 2.1(a) of the Cost Sharing Agreement, each and every Association must approve the Final Plan and amend this Schedule 4.1 accordingly.

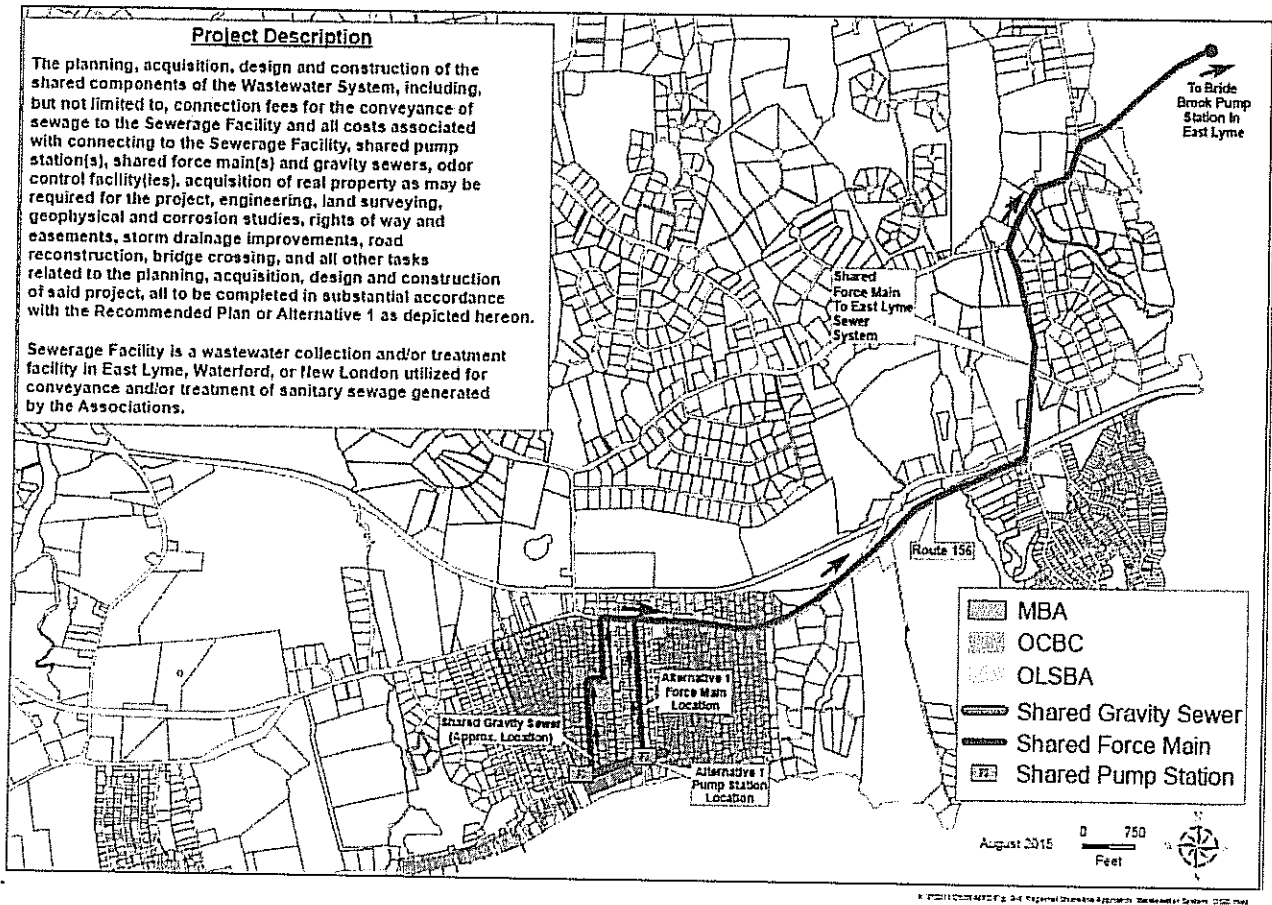
Under **Alternative 1**, the Associations will require that the following easements to make the connection to a new wastewater pump station located on-land belonging to Miami Beach Association:

<u>Granting Party</u>	<u>Easement to be Granted</u>
Town of Old Lyme.....	Swan Ave. right-of-way
Town of Old Lyme.....	Swan Ave.
Town of Old Lyme.....	Hartford Ave.
Long Island Sound Properties LLC.....	85 Swan Ave.
Long Island Sound Properties LLC.....	86 Hartford Ave
Old Colony Beach Club Association.....	East side of Swan Ave. right of way west of Old Colony Road
Miami Beach Association.....	Pond Road
Miami Beach Association	83 Corsino Avenue (Pump Station Site)

Under **Alternative 2**, the Associations will require that the following easements be provided to make the connection to a new wastewater pump station located on land belonging to the Town of Old Lyme:

<u>Granting Party</u>	<u>Easement to be Granted</u>
Town of Old Lyme.....	Swan Ave. right-of-way
Town of Old Lyme.....	Swan Ave.
Town of Old Lyme.....	Hartford Ave.
Town of Old Lyme.....	91 Hartford Ave. (Pump Station Site)
Long Island Sound Properties LLC.....	85 Swan Ave.
Long Island Sound Properties LLC	86 Hartford Ave
Old Colony Beach Club Association.....	East side of Swan Ave. right of way west of Old Colony Road
Miami Beach Association.....	Pond Road

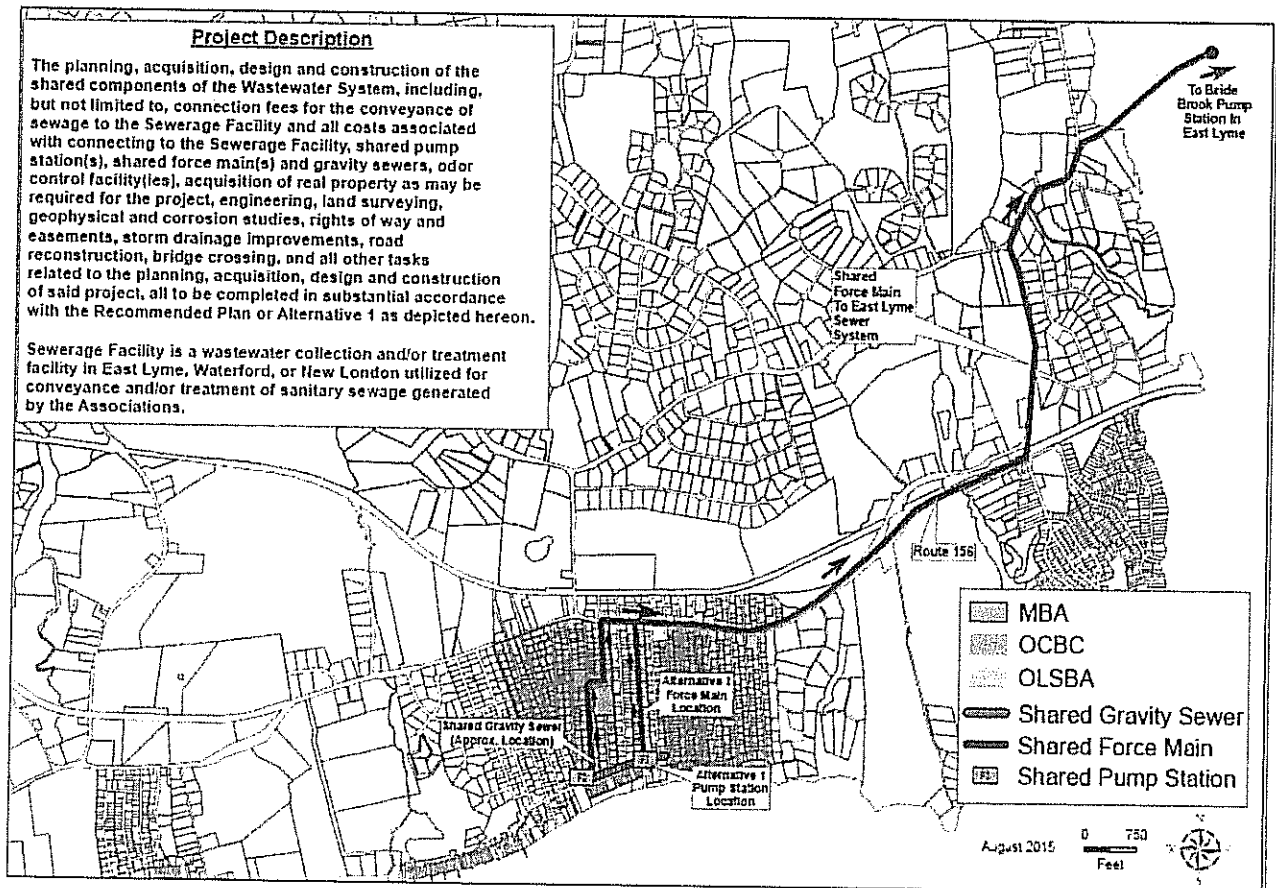
Exhibit A
The Draft Plan
As of 8-27-15



[Updated schematic showing both alternatives and a revised Project Description to be provided by Fuss & O'Neill]

Exhibit A (Continued)

Below is a draft Plan, dated as of August 27, 2015, which calls for two alternative approaches for the site of the pump station. Under Alternative 1, the pump station will be located on land belonging to the Miami Beach Association. Under Alternative 2, the pump station will be located on land belonging to the Town of Old Lyme. The other Associations and private lands will also be considered as additional viable alternatives to the alternatives shown on this Draft Plan. In accordance with Section 2.1(a) of the Cost Sharing Agreement, each and every Association must approve the Final Plan and amend this Exhibit A accordingly.



[Updated schematic showing both alternatives and a revised Project Description to be provided by Fuss & O'Neill]

Exhibit B

Wastewater System Project Cost-Sharing Schedule & Allocation of Project

Municipal Associations Capital Cost Sharing Apportionment for the Wastewater System by EDU
Existing Developed Lots Only

(as of May 2015)

Old Lyme Beach Association	# of EDU's*	Percent (%) of Total EDU's
Miami Beach Association	225	35.3
Old Colony Beach Club Association	221	34.6
Old Lyme Shores Beach Association	192	30.1
Total	638	100.0

EDU- Equivalent Dwelling Unit

- * *MBA* - EDU value based on existing development. Existing includes 225 single family residences (and 35 undeveloped lots not included in the apportionment herein). Existing: 225 EDU Source - 2013-12-12 MBA Draft WW Facilities Plan by F&O
- * *OCBCA*- EDU value based on existing development. Existing includes 196 single family residences, 5 multifamily, 18 condominium, and 22 boarding rooms. (Future development consists of an additional 15 single family residences not apportioned herein). 221 EDU. Source - OCBCA Draft Wastewater Management Plan 2011 by RFP
- * *OLSBA*- EDU value based on existing development. Existing includes 192 single family residences. (Future development consists of an additional 14 single family residences for vacant lots not included herein). 192 EDU - Source - Coastal Wastewater Management Plan by W&C December 2014