

JOINT AGREEMENT FOR THE MERGER OF MUNICIPALITIES

THIS AGREEMENT, entered into this _____ day of _____ 2022,
by and between:

BOROUGH OF WHEATLAND, a borough of the Commonwealth of Pennsylvania,
with offices located at 71 Broadway Avenue, Wheatland, Mercer County, Pennsylvania,
hereinafter referred to as "Wheatland",

AND

CITY OF HERMITAGE, a Home Rule City of the Commonwealth of Pennsylvania,
with offices at 800 North Hermitage Road, Hermitage, Mercer County, Pennsylvania,
hereinafter referred to as "Hermitage".

WHEREAS, the Municipal Consolidation or Merger Act, 53 Pa.C.S. § 731, *et seq.*, (the
"Act") establishes the procedure under Pennsylvania law by which two (2) or more contiguous
municipalities may be merged into one (1) resulting municipality, which includes initiating the
process through a joint agreement entered into by the governing bodies of the municipalities to
be merged;

WHEREAS, Hermitage currently provides most municipal services to Wheatland,
including police services and streets services, and Wheatland currently has only one (1) part time
employee;

WHEREAS, members of Council of Wheatland initially approached Hermitage
Commissioners to consider the advisability and feasibility of a merger by which Wheatland
would become a part of Hermitage;

WHEREAS, Wheatland obtained a grant through the Pennsylvania Department of
Community and Economic Development, which funded a study completed by the Pennsylvania
Economy League ("PEL") for the purpose of determining the advisability and feasibility of such
a merger;

WHEREAS, both municipalities provided substantial input and information to assist

PEL in the study process, and members of each municipality were given the opportunity to attend various public meetings to provide input and review the results of the PEL study;

WHEREAS, the PEL study concluded that the merger Wheatland into Hermitage would likely result in benefits for the citizens and taxpayers of each municipality;

WHEREAS, upon approval of the electorate of both municipalities in the general election on November 8, 2022, Wheatland will be merged into Hermitage effective January 1, 2024, at which time Wheatland will cease to exist as a municipality and its Mayor, Borough Council, elected Tax Collector, and all other Wheatland offices will be abolished, and with the termination of said offices, all professional contracts, consultants, authorities, boards, and commissions of Wheatland will no longer exist;

WHEREAS, upon approval of the electorate of both municipalities in the general election on November 8, 2022, on the effective date of January 1, 2024, the official governing body of the merged municipality shall be the Board of Commissioners of the City of Hermitage; and

WHEREAS, it is the intention of the parties that this Agreement shall provide for the terms of the intended merger to be approved by the voters of each municipality.

NOW, THEREFORE, in consideration of the mutual premises, promises and covenants hereinbefore and hereinafter set forth, and with the intent to be legally bound, the parties hereby agree as follows:

1. **RECITALS.** The above recitals are hereby incorporated and made a part hereof as though set forth fully at length herein.

2. **REFERENDUM.** Wheatland and Hermitage hereby approve this Joint Agreement to petition the Mercer County Board of Elections to place the following question on

the Official Ballot for the General Election to be held on November 8, 2022:

BALLOT QUESTION:

Shall the Borough of Wheatland be merged into the City of Hermitage, effective January 1, 2024?

3. **TERRITORIES TO BE MERGED; EFFECTIVE DATE; EFFECT OF AGREEMENT.** At the General Election of 2022, the electors of Wheatland and Hermitage shall be permitted to vote on the referendum to merge Wheatland into Hermitage, by which Hermitage would assume all territorial boundaries coterminous with the existing boundaries of Wheatland. The resulting City of Hermitage will continue to operate as a Home Rule City under the Hermitage Home Rule Charter, the Hermitage Code of Ordinances, and all other legislation previously adopted by Hermitage. If the merger shall be approved separately by the electors of each municipality, the merger shall be effective on January 1, 2024 (the “effective date”).

For the terms of 53 Pa.C.S. § 734, this Agreement shall be the Joint Agreement required for passage of each municipality as a prerequisite for consideration by the electors of each municipality, and this Agreement shall set forth the terms of the proposed merger. The proper municipal officials are authorized and directed to take all necessary actions to implement the provisions of this Agreement.

4. **GOVERNANCE.**

(A) Following the merger of the municipalities, Hermitage will continue to be governed as a Home Rule City in accordance with the Hermitage Home Rule Charter, the Hermitage Code of Ordinances, and all other legislation previously adopted by Hermitage, and all fees and charges for government services shall be uniform throughout merged municipality and based upon the rates in effect in Hermitage.

(B) The Hermitage Board of Commissioners and all offices created under the City Charter, shall assume all responsibility, authority, and control over the municipal affairs of the former Borough of Wheatland, to the maximum extent provided by the Act, the Hermitage Home Rule Charter, and all other laws or regulations.

(C) All elected positions of Wheatland are hereby eliminated as of the effective date of the merger, including, but not limited to, Wheatland Mayor, Borough Council Members, Tax Collector, and Auditor. None of these offices shall be placed on the 2023 municipal election ballot.

(D) The merged municipality's zoning ordinances and map shall be amended, in a manner required by law, to promote the public health, safety, and welfare of the resulting City of Hermitage, as shall be determined by the Hermitage Board of Commissioners.

(E) As of the effective date, all professional contracts, consultants, authorities, boards, and commissions created by or under the authority of Wheatland shall be abolished, except for the Wheatland Conservation Authority, which shall continue to exist in accordance with its articles of incorporation and retain all property that it owns.

5. **INFRASTRUCTURE.** Upon merger, all basic services enjoyed currently by residents of Hermitage shall likewise be available to all residents of Wheatland.

(A) Sewer service shall continue to be provided, if at all, through the system that currently provides collection, transportation, and/or treatment services.

(B) Water service shall be provided through the same private water company.

(C) Solid waste and recycling services shall be provided in accordance with Hermitage's existing contract.

(D) All public works and police services in the merged municipality shall be provided

in a manner consistent with those provided in Hermitage.

6. **APPOINTED OFFICIALS AND EMPLOYEES.**

(A) The sole Wheatland employee's position shall be eliminated as of the effective date of this Agreement, along with any others that shall exist on the effective date.

(B) All Wheatland appointed officials, including, but not limited to, Solicitor, Engineer, Code Enforcement Officer, Building Code Officer, and Secretary, shall be eliminated as of the effective date, and all such duties and positions shall be assumed and assigned by Hermitage.

(C) Wheatland currently has no employment contracts or labor agreements to which it is a party.

7. **ASSETS, LIABILITIES, PROPERTIES.**

(A) All assets of Wheatland of any kind whatsoever, including but not limited to, all property and rights to property of any nature, whether tangible or intangible, in which Wheatland has any interest, shall become property of Hermitage as of the effective date. Wheatland hereby represents the inventory attached as "Exhibit A" to consist of the assets and property of Wheatland as of the date of this Agreement, and all other assets to which Wheatland shall accede from the date of this Agreement and the effective date shall likewise become the property of Hermitage as of the effective date. Further, Wheatland hereby covenants and represents that all of the assets and other property listed in Exhibit A shall be free and clear of any and all liens, and that Wheatland currently has good, clear, and marketable title to such property and assets, which shall be free and clear of any title defects or other liens.

(B) All binding liabilities and obligations of Wheatland are assumed by Hermitage as of the effective date. Hermitage hereby relies upon the representations made by Wheatland in

good faith as to such liabilities, as they are reasonably known to Wheatland and its elected and/or appointed officials as of the date of this Agreement. All such liabilities of Wheatland are attached hereto as "Exhibit B". The term "liability" shall include, individually and collectively, any and all debts, liabilities, and other obligations of Wheatland, whether due or accruing currently or in the future. Wheatland agrees that from the date of this Agreement to the effective date, Wheatland will enact a balanced budget for which spending will not exceed, and will not incur any indebtedness or other capital expense not budgeted for without first consulting Hermitage. Wheatland further covenants and represents that it is not a Guarantor, Surety, or Indemnitor of any debts for any person, entity, or municipality not listed on Exhibit B.

8. **TAXES AND ASSESSMENTS.** As of the effective date, as required by law and the Pennsylvania Constitution, all tax rates and subjects of taxation shall be uniform throughout the merged municipality, which shall be as to those subjects and at such rates as those imposed by Hermitage. This Agreement shall not be construed to affect any taxes or rates of taxation levied by any school district, as Hermitage and Wheatland lack any authority to affect such taxes or levies.

9. **MISCELLANEOUS.**

(A) It is the express intention of the parties that as of the effective date, the Home Rule Charter, ordinances, resolutions, and laws of the City of Hermitage shall be effective throughout the merged municipality. All ordinances, resolutions, or laws of Wheatland are repealed as of the effective date, with the exception that any such provision currently existing apply specifically to the territorial description of Wheatland, including, but not necessarily limited to, the Wheatland zoning ordinance, shall remain effective for a period not to exceed six (6) months after the effective date to permit the merged municipality the opportunity to enact

appropriate legislation. In the event the Home Rule Charter, ordinances, resolutions, and laws of the City of Hermitage shall conflict with such a Wheatland provision, the Hermitage provision shall control.

(B) The parties hereby covenant and agree that they will engage in all good faith efforts to implement the plain language, as well as the intentions and purposes of this Agreement and to take proper action to cure any unintentional deviations from this Agreement and to effectuate its intentions for any activity not specifically provided for in this Agreement.

(C) To the extent permitted by the Pennsylvania Election Code, and all other applicable statutes, Wheatland electors shall be permitted to run as candidates and vote in the 2023 municipal primary and election, as all Wheatland residents will be residents of Hermitage as of the date the newly elected officials take office for their new terms.

(D) As of the effective date, it is anticipated and expected that the current territorial boundaries of Wheatland shall forever be considered to be the Wheatland section of the City of Hermitage.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date first set forth above.

ATTEST:

CITY OF HERMITAGE

Gary Hinkson, Secretary

By:

Duane J. Piccirilli, President
Hermitage Board of Commissioners

ATTEST:

BOROUGH OF WHEATLAND:

By:

President of Wheatland Borough Council

