

JOINT AGREEMENT FOR THE MERGER OF MUNICIPALITIES

THIS AGREEMENT, entered into this _____ day of _____ 2026, by and between:

BOROUGH OF MARS, a borough of the Commonwealth of Pennsylvania, with offices located at 301 Arch Street, Mars, Butler County, Pennsylvania, hereinafter referred to as “Mars”,

AND

TOWNSHIP OF ADAMS, a second-class township of the Commonwealth of Pennsylvania, with offices at 690 Valencia Road, Mars, Butler County, Pennsylvania, hereinafter referred to as “Adams”.

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, Mars and Adams currently work together on services for fire, EMS, sewer, and library;

WHEREAS, at a meeting of the Mars Area Library Board various members of both elected governing bodies were present and brought up the idea of a municipal merger as the path forward for securing a Downtown Mars location for a new library;

WHEREAS, officials from Mars and Adams reached out to the Pennsylvania Department of Community and Economic Development for guidance on a possible merger and held several discussions;

WHEREAS, the Council of Mars and Board of Supervisors of Adams each passed unanimously a joint resolution on January 5, 2026 to make public the desire of both elected governing bodies to consider the advisability and feasibility of a merger by which Mars would become a part of Adams;

WHEREAS, the elected governing bodies of both municipalities, with substantial public input, have determined that if a merger is to occur, Adams should be renamed to Mars Township;

WHEREAS, both municipalities provided substantial input and information to assist in the drafting of this Joint Agreement, and members of each municipality were given the opportunity to attend various public meetings to provide input;

WHEREAS, the elected governing bodies of both municipalities find that the merger of Mars into Adams will 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 3, 2026, Mars will be merged into Adams effective January 1, 2028, at which time Mars will cease to exist as a municipality and its Mayor, Borough Council, elected Tax Collector, and all other Mars offices will be disbanded, and with the termination of said offices, all professional contracts, consultants, authorities, boards, and commissions of Mars will no longer exist;

WHEREAS, upon approval of the electorate of both municipalities in the general election on November 3, 2026, on the effective date of January 1, 2028, the official governing body of the merged municipality shall be the Board of Supervisors of the Township of Adams;

WHEREAS, Mars electors will join Adams electors in voting for the one open position of the Board of Supervisors of Adams in 2027 election cycle; 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 herein before 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**. Mars and Adams hereby approve this Joint Agreement to petition the Butler County Board of Elections to place the following question on the Official Ballot for the General Election to be held on November 3, 2026:

BALLOT QUESTION:

Shall the Borough of Mars, a Pennsylvania municipality organized under the Borough Code, be merged into the Township of Adams, a Pennsylvania Township of the Second Class, and with the Township being renamed Mars Township, a Pennsylvania Township of the Second Class, effective January 1, 2028?

3. **TERRITORIES TO BE MERGED; EFFECTIVE DATE; EFFECT OF AGREEMENT**. At the General Election of 2026, the electors of Mars and Adams shall be permitted to vote on the referendum to merge Mars into Adams, by which Adams would assume all territorial boundaries coterminous with the existing boundaries of Mars. The resulting Mars Township will continue to operate as a second-class township under the Pennsylvania Second-Class Township Code, the former Adams Code of Ordinances, and

all other legislation previously adopted by Adams. If the merger shall be approved separately by the electors of each municipality, the merger shall be effective on January 1, 2028 (the “Effective Date”) with Adams being renamed Mars Township effective on January 1, 2028.

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.**

From and after the Effective Date:

- (A) Mars Township will continue to be governed as a second-class township in accordance with the Pennsylvania Second-Class Township Code, the former Adams Code of Ordinances, and all other legislation previously adopted by Adams, and all fees and charges for government services shall be uniform throughout merged municipality and based upon the rates in effect in Adams.
- (B) The Mars Township Board of Supervisors and all offices authorized under the Second-Class Township Code, shall assume all responsibility, authority, and control over the municipal affairs of the former Borough of Mars, to the maximum extent provided by the Act, the Second-Class Township Code, and all other laws or regulations.
- (C) All elected positions of Mars are hereby eliminated as of the Effective Date including, but not limited to, Mars Mayor, Borough Council Members, and Tax Collector. None of these offices shall be placed on the 2027 municipal election ballot. The Mars Auditor is an appointed position and will not be reappointed as of the Effective Date. Mars Borough acknowledges that it must file an Audit with DCED by March 1, 2028. Mars Borough shall either provide Mars Township, on the Effective Date, an Audit to be filed with DCED, or alternatively, authorize Mars Township to file the Audit on behalf of Mars Borough and in the furtherance thereof, provide Mars Township with all documents necessary to prepare the Audit on the Effective Date.
- (D) To the extent permitted by the Pennsylvania Election Code, and all other applicable statutes, Mars electors shall be permitted to run as candidates and vote in the 2027 municipal primary and election for the merged entity, as all Mars residents will be residents of Mars Township as of the date the newly elected officials take office for their new terms on January 3, 2028.

(E) 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 Mars Township, as shall be determined by the Mars Township Board of Supervisors. In the furtherance thereof, Mars and Adams shall jointly use their best efforts in 2027 to develop a zoning ordinance and map to present to the Supervisors of Mars Township to expedite the procedure outlined in paragraph 9.(A), below.

(F) All professional contracts, consultants, authorities, boards, and commissions created by or under the authority of Mars shall be abolished.

5. **INFRASTRUCTURE**. Upon the Effective Date, all basic services enjoyed currently by residents of Adams shall likewise be available to all residents of Mars, except as set forth in subsections (A) and (B), below. All public works, code enforcement, zoning, permitting, planning, parks and recreation, and police services in the merged municipality shall be provided in a manner consistent with those provided in Adams.

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

(B) The existing Mars Borough water system and customer accounts, including both accounts payable and accounts receivable, would transfer to Mars Township. Existing Mars water customers would continue to receive water through the current infrastructure. Accounts payable must be current, as near as possible, as of the Effective Date.

6. **APPOINTED OFFICIALS AND EMPLOYEES**.

(A) The current administrative full-time employee of Mars will be extended an offer of employment at or above their current compensation rate, provided that rate falls within the existing Adams Township pay scale, with Adams in an administrative capacity prior to or on the Effective Date.

(B) The current full-time Mars Public Works Foreman will be extended an offer of employment at or above his or her current compensation rate, provided that rate falls within the existing Adams Township pay scale, with Adams prior to or on the Effective Date.

(C) The current two (2) full-time employees of the Mars Public Works Department will be offered employment at or above their current compensation rate with the Adams Department of Public Works under the terms and conditions of the current Adams Public Works Collective Bargaining Agreement and compensation structure set

forth in that agreement, which shall remain in full force and effect following the Effective Date.

- (D) The current two(2) full-time members of the Mars Police Department will be offered employment with the Adams Police Department prior to or on the Effective Date at or above their current compensation rate, provided that rate falls within the existing Adams Township pay scale, under the terms and conditions of the current Adams Police Collective Bargaining Agreement and compensation structure set forth in that agreement, which shall remain in full force and effect following the Effective Date.
- (E) Any part-time and/or seasonal positions of Mars shall be eliminated as of the Effective Date.
- (F) All Mars appointed officials and professional service providers, including, but not limited to, Solicitor, Engineer, Auditor, Code Enforcement Officer, and Building Code Officer, shall be eliminated as of the effective date, and all such duties and positions shall be assumed and assigned by Mars Township.
- (G) Mars shall not create any new full-time positions after the date of this Agreement.
- (H) Adams Township and Mars Borough agree that they will work together in good faith during 2027 to discharge any applicable collective bargaining agreement for current Mars Police.
- (I) Mars Water Department and related contracts and consultants will be examined, and services may be retained prior to the Effective Date to ensure no disruption to service, treatment, inspection, and operations. Adams / Mars Township reserves the right to negotiate continuing services on and/or after the Effective Date by contracted consultants for legacy Mars water-related activities.
- (J) The merger will not result in the elimination of any existing employee position with Adams on the Effective Date.

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

- (A) All assets of Mars of any kind whatsoever, including but not limited to, all property and rights to property of any nature, whether tangible or intangible, in which Mars has any interest, shall become property of Mars Township as of the Effective Date. Similarly, all assets of Adams of any kind whatsoever, including but not limited to, all property and rights to property of any nature, whether tangible or intangible, in which Adams has any interest, shall become property of Mars Township also on this same Effective Date. Mars and Adams both hereby represent the inventory attached as “Exhibit A” for Mars and “Exhibit B” for Adams to consist of the assets and

property of both Mars and Adams for the combined municipal entity to be known as Mars Township as of the date of this Agreement, and all other assets to which Mars shall accede from the date of this Agreement and the effective date shall likewise become the property of Mars Township as of the Effective Date. Further, Mars 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 Mars 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. Mars shall quit claim title to all real property to Adams on or before December 31, 2027. Adams, in turn, shall quit claim title to the same property to Mars Township on the Effective Date. The parties agree to record this Joint Agreement for the Merger of Municipalities with the Butler County Recorder of Deeds on the Effective Date (or as soon thereafter as practicable) to serve as Notice that all recorded rights-of-way granted to either Mars Borough or Adams Township shall be transferred to Mars Township as of the Effective Date. In addition, all roads, streets and highways of Mars Borough and Adams Township as set forth in the Road Docket of the Clerk of Courts of Butler County shall be deemed roads, streets and highways of Mars Township.

(B) All binding liabilities and obligations of Mars are assumed by Mars Township as of the Effective Date. Similarly, all binding liabilities and obligations of Adams are assumed by Mars Township as of the Effective Date. Mars and Adams hereby rely upon the representations made by each municipality in good faith as to such liabilities, as they are reasonably known to Mars and Adams and its elected and/or appointed officials as of the date of this Agreement. All such liabilities of Mars are attached hereto as "Exhibit C". All such liabilities of Adams are attached hereto as "Exhibit D". The term "liability" shall include, individually and collectively, any and all debts, liabilities, and other obligations of Mars and Adams, whether due or accruing currently or in the future. Other than currently budgeted matters, Mars agrees that from the date of this Agreement to the Effective Date, Mars 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 Adams. Mars 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 C.

(C) Upon approval by referendum vote of a merger, unless mutually agreed to by Mars and Adams, Mars shall not enter into a contract having a term that extends beyond the Effective Date or extend any existing contracts that offer services past the Effective Date.

8. TAXES AND ASSESSMENTS.

(A) 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 Adams. This Agreement shall not be construed to affect any taxes or rates of taxation levied by any school district, as Adams and Mars lack any authority to affect such taxes or levies. Current uncollected taxes, liens, and penalties imposed by Mars shall be transferred to Mars Township as of the Effective Date.

- (B) All uncollected taxes and assessments levied or assessed, all fines and penalties imposed, and all other uncollected obligations owing to Mars which are uncollected on the Effective Date shall continue in full force and effect and shall be collected by and remunerated by Mars Township.

9. **ORDINANCES**

- (A) It is the express intention of the parties that as of the Effective Date, the Second-Class Township Code, ordinances, resolutions, and laws of the Township of Adams shall be effective throughout the merged municipality. All ordinances, resolutions, or laws of Mars are repealed as of the Effective Date, with the exception that any such provision currently existing apply specifically to the former Mars territory of Mars, including, but not necessarily limited to, the Mars 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 Second-Class Township Code, ordinances, resolutions, and laws of the Township of Adams shall conflict with such a Mars provision, the Adams provision shall control.

- (B) Upon the Effective Date, lawful nonconforming uses, structures, and approvals existing prior to the merger shall retain their status, subject to currently existing zoning ordinance provisions pertaining to abandonment or expansion, and also subject to any amendments to the Pennsylvania Municipal Planning Code and Pennsylvania court cases regarding same.

10. **MISCELLANEOUS**

- (A) 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.
- (B) An advisory Council consisting of three (3) members of Mars Borough Council, specifically, the current Mars President, Vice President and Finance Chairman will form a 2-year advisory Council to the Mars Township Supervisors to address any issues related to the merger between Mars and Adams in an effort to ensure a very

positive municipal transition throughout that process. The advisory Council shall serve from January 1, 2027 through December 31, 2028.

(C) Contingent on the referendum passing, Adams will continue leading the effort to build a new home for the Mars Area Public Library in Downtown Mars on Grand Avenue. Adams (Mars Township) intends to own this new facility, subject to an existing Letter of Intent with NexTier Bank outlining the terms of a Lease. If the referendum is not successful, Adams will explore alternative locations for a new Library.

(D) If the merger vote is successful, Adams will encourage the Adams Area Fire District to rename to align more closely with the name of Mars Township.

(E) Time is of the essence with respect to all dates set forth within this Agreement.

(F) This Agreement is solely between Mars and Adams with Mars Township as an intended beneficiary. Except for Mars Township, this Agreement is not intended to and shall not be construed to give any other third-party interests or rights in the terms of this Agreement. Except for Mars Township, no third-party shall have any right to enforce any provision of this Agreement, even if indirectly benefitted by the terms of this Agreement.

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

ATTEST:

Christine Clutter, *Secretary*

BOROUGH OF MARS

By: _____
Michael Fleming, *President*
Mars Borough Council

ATTEST:

Theresa Turner, *Secretary*

TOWNSHIP OF ADAMS

By: _____
Russell R. Ford, *Chairman*
Adams Township Board of
Supervisors

Exhibit A

Pending

Exhibit B

Pending

Exhibit C

Pending

Exhibit D

Pending