

**Application of Pennsylvania-American Water Company for Acquisition of
the Wastewater Assets of the Township of Exeter
66 Pa. C.S. §1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2018-_____**

8. State the total fees paid to the utility valuation experts for providing the completed appraisals for the acquisition and provide documentation, i.e., the valuation service agreement and all associated invoices, justifying the subject fee amounts.

RESPONSE: The fees paid to Jerome C. Weinert, P.E., Principal and Director for AUS Consultants, Inc. on behalf of PAWC and to Harold Walker, III, Manager, Financial Studies, for Gannett Fleming Valuation and Rate Consultants, LLC, on behalf of the Township are reflected on the enclosed valuation service agreements and associated invoices for services received to date.

GANNETT FLEMING, INC.
1010 ADAMS AVENUE
AUDUBON, PA 19403
PHONE NO. (610) 650-8101
FAX NO. (610) 650-8196

AGREEMENT FOR CONSULTING ENGINEERING SERVICES

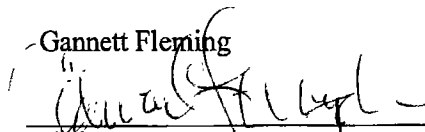
THIS AGREEMENT made and entered into this 22nd day of March, 20 17 is by and between:

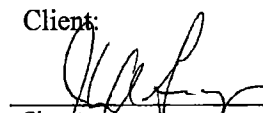
Client Name: EXETER TOWNSHIP
Street Address: 4975 DEMOSS ROAD
City: Reading State: PA Zip Code: 19606
Telephone Number: 610-265-2600 Fax Number: 610-265-0482
Mailing Address: 4975 DEMOSS ROAD
City: READING State: PA Zip Code: 19606
Attention: John Granger, Township Manager

(hereinafter called Client) and GANNETT FLEMING, INC., (hereinafter Gannett Fleming or Design Professional and their affiliated professional or contracting organizations collectively), as follows:

- I. Client desires to engage Gannett Fleming to provide Consulting Services in connection with Client's project, ("The Project") described as follows:
Project Name: SALE OF WASTEWATER FACILITIES
Project Location: EXETER TOWNSHIP, BERKS COUNTY, PENNSYLVANIA
Project Description: ASSISTANCE IN THE SALE OF THE TOWNSHIP'S WASTEWATER FACILITIES.
- II. Gannett Fleming agrees to provide Consulting Services for the Project in accordance with the General Conditions, pages G-1 to G-___, the Scope of Services, pages S-1 to S-___, and the Fee Schedules, pages F-1 to F-___, attached hereto, incorporated by reference and made part of this Agreement.
- III. It is anticipated that the period of service for this Agreement will be from MARCH 2017 to DECEMBER 2017.
- IV. A signed copy of the Agreement returned to our office will serve as authorization to proceed with the work and a copy of the Agreement containing our signature will be returned for your files.
- V. Gannett Fleming shall have the option to void this Agreement if not executed and returned to Gannett Fleming within thirty (30) days.

We appreciate the opportunity to submit this Agreement and look forward to working with you on this Project.

Gannett Fleming

Signature
Edward E. Wojcik
Typed or Printed Name
Vice President
Title
Date: 3/22/17

Client:

Signature
John A. SAENGER
Typed or Printed Name
Township Manager
Title
Date: 03/20/17

GENERAL CONDITIONS

The terms and conditions of this Agreement are as follows:

1. **DEFINITIONS:** "Services" means the specific services to be performed by Gannett Fleming as set forth in the "Scope of Services." "Client" is the person or business entity ordering the services to be performed by Gannett Fleming who shall be responsible for payment for such services. If the Client is ordering the services on behalf of another, the Client represents and warrants that the Client shall bind such third party to the terms and conditions of this Agreement. The ordering of services from Gannett Fleming shall constitute acceptance of the terms of this Agreement.

2.0 SERVICES:

2.1 Gannett Fleming's services shall be performed as expeditiously as is consistent with professional skill and care and the orderly progress of the Project. Gannett Fleming shall submit a schedule for the performance of the Services hereunder, which initially shall be consistent with the time period set forth above in Paragraph III of this Agreement. The schedule shall include allowances for periods of time required for the Client's review, for the performance of Client's and Gannett Fleming's consultants, and for review and approval of submissions by authorities having jurisdiction over the Project. Time limits established by a schedule approved by the Client shall not, except for reasonable cause, be exceeded by the Client or Gannett Fleming. The Schedule shall be adjusted, if necessary, as the Project proceeds.

2.2 Gannett Fleming agrees to perform its services in compliance with applicable laws, regulations, and ordinances and other legally enforceable requirements in effect as of the date of this Agreement. Except as specifically provided in the Scope of Services hereunder, Gannett Fleming shall not be responsible for determining any law, regulation or ordinance with which Client must comply for approval or completion of Client's Project. Moreover, any assistance provided in this regard shall not be construed in any way as advice of counsel.

2.3 Client agrees that Gannett Fleming may use the services of subconsultants when it is appropriate and customary to do so, provided that Gannett Fleming notifies the Client in advance. Such persons or entities include, but are not limited to, surveyors, specialized consultants and testing laboratories. Gannett Fleming may assign specific tasks to other affiliated organizations within the Gannett Fleming family of companies depending on the nature of the work, state licensing requirements and current staff assignments.

2.4 Unless otherwise provided in this Agreement, Gannett Fleming and its subconsultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the Project site. The Scope of Services and Fee Schedule have been prepared on the basis that no hazardous or toxic substances are present at the Project site. In the event hazardous or toxic substances are discovered on the site, the parties agree to

review and renegotiate the terms and conditions of this contract to protect the interests of the parties.

3. COMPENSATION:

- 3.1 Payments for services rendered and expenses incurred shall be made monthly upon presentation of Gannett Fleming's monthly invoices. Such invoices shall be computed in accordance with the attached Fee Schedule and are due and payable upon receipt. The Fee Schedule is subject to adjustments on January 1 and July 1 of each year.
- 3.2 In-house expenses including reproduction, printing, copying, transportation, computer and other direct costs listed in the Fee Schedule will be invoiced at cost. Outside expenses for suppliers, subconsultants and other vendors listed on the Fee Schedule will be invoiced at cost plus 10%.
- 3.3 Client agrees to review invoices promptly and raise any questions regarding the invoiced items or amounts within (30) days of the date of the invoice. Otherwise, the invoice shall be considered correct and payable. It is understood that any sums quoted in the Agreement as an estimate are an estimate only and Client will be responsible for all services actually rendered whether the actual cost is lesser than or exceeds the estimate.
- 3.4 In the event payment is not made within thirty (30) days after the date of invoice, the Client further agrees to pay an interest charge of 1-1/2% per month from the date of invoice on any unpaid balance until such account is paid in full. If the invoice remains delinquent for more than forty-five (45) days, Gannett Fleming shall have the right to cease all further work on the Project by giving written notice the Client. The Client will also be responsible for all costs of collection, including attorney's fees.
- 3.5 In the event that the Client requests overtime, work will be billed for such work at appropriate overtime hourly rates. Overtime work includes Sundays or standard legal holidays.
- 3.6 The Scope of Services and design requirements are based on local and state criteria in effect on the date of this Agreement and do not include extra services not specifically listed. Special design, extra services, offsite work, Client and architectural revisions, and revisions due to changes in governmental policy will be billed at the hourly rates shown on the Fee Schedule.

4. STANDARD OF PERFORMANCE:

- 4.1 In performing the services under this Agreement, Gannett Fleming will use the degree of care and skill ordinarily exercised under similar circumstances by members of the engineering and surveying profession. Any problems relating to the services provided herein should be brought to the attention of Gannett Fleming as soon as encountered and before any obligation is incurred. If reasonable under the circumstances, Gannett Fleming reserves the right to correct any errors, including, but not limited to, the selection of a subcontractor or subconsultant and the negotiation of fees. GANNETT FLEMING PROVIDES NO WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, REGARDING THE SERVICES PROVIDED HEREUNDER.
- 4.2 Gannett Fleming relies on the approval by reviewing agencies of the drawings, Record Plats, Site

Plans, Permits and Bond Agreements and other final submittals, etc., as evidence of compliance with all applicable ordinances, regulations and design standards. Gannett Fleming shall be held harmless from any change in interpretation after receipt of any approvals and the revocation of approvals for any reason.

- 4.3 In performing its work, Gannett Fleming shall be entitled to rely on the accuracy and completeness of work of third parties, the representations of and material provided by Client and public records and shall be under no obligation to verify any of the foregoing except when expressly provided in the Scope of Services.
- 4.4 Opinions of the probable costs of construction, financing, acquisition of land, rights-of-way and other costs shall be made in accordance with good engineering practice and procedure. Client acknowledges that Gannett Fleming has no control over construction costs, competitive bidding and market conditions, or costs of financing, acquisition of land or rights-of-way; and Gannett Fleming does not guarantee the accuracy of such opinions of the probable costs as compared to actual costs or contractor's bids.
- 4.5 Gannett Fleming shall not be responsible during construction of the Project for the construction means, methods, techniques, sequences or procedures of any construction contractors or subcontractors, any aspect of safety during construction including safety precautions and programs incident thereto, nor any contractor's failure to perform the construction of the Project in accordance with the contract documents or violation of any safety laws, regulations or laws.
- 4.6 Gannett Fleming shall use its professional technical judgment and resources available to assist Client in obtaining required permits. Nothing in this Agreement shall be construed as a guarantee that Gannett Fleming can cause a permit(s) or permit condition(s) to be granted or further Client's business goals.

5. **INSURANCE:**

- 5.1 Gannett Fleming shall maintain the following types of insurance relating to this Agreement and Gannett Fleming's performance of the Services:
 - (a) Workers' Compensation statutory coverage, and Voluntary Compensation coverage, to include Employer's Liability, with a limit of not less than \$500,000 per each occurrence;
 - (b) Broad Form Commercial General Liability and Automobile Liability coverages, with each kind of coverage providing a combined single limit of not less than \$1 million per each occurrence, to include the following coverages: Premises and Operations; Products and Completed Operations; Independent Contractors; Broad Form Contractual Liability; Broad Form Property Damage;
 - (c) Owned, Non-owned and Hired Vehicles; and Bodily Injury, including but not limited to personal injury and death;
 - (d) Professional Liability Insurance during the term of the project in an amount not less than \$1,000,000.
- 5.2 All policies of insurance shall be written by companies, having a certificate of authority and a

licensed agent authorized to transact the business of insurance in the state where the Services are being performed.

- 5.3 Gannett Fleming will, upon request, provide insurance certificates to Client upon renewal, expiration, or cancellation of any policy for which a certificate has been provided to Client at the time that this Agreement is executed.

6. OBLIGATIONS OF CLIENT:

- 6.1 Client shall designate in writing a person with authority to act on Client's behalf on all matters concerning this Agreement. Client shall be responsible for co-ordination with all consultants or work forces hired directly by Client and all governmental agencies as warranted.
- 6.2 Client shall furnish all legal, accounting and insurance consulting services as may be necessary for the Project, including auditing services, and be responsible for the costs incident to fulfilling the requirements of this provision.
- 6.3 Client shall provide all criteria and full information as to Client's requirements in connection with the Project, including existing studies, reports and other available data pertinent to the Scope of Work. Client also agrees to obtain or authorize Gannett Fleming to obtain or provide additional reports and data as required and furnish to Gannett Fleming information on services of others as required for the performance of Gannett Fleming's services hereunder. Gannett Fleming shall be entitled to use and rely upon all such information and services provided by Client or others in performing Gannett Fleming's services under this Agreement.
- 6.4 Client agrees to reimburse Gannett Fleming for any special business or personal taxes imposed at the local, county or state level as a result of providing professional services by Gannett Fleming to Client under this Agreement. Such reimbursement shall not include or apply to normal income taxes imposed on Gannett Fleming or its employees' income.

7. CHANGES IN SERVICES:

- 7.1 Changes in the Scope of Services, including the services of Gannett Fleming's subconsultants, may be accomplished after execution of this Agreement, without invalidating the Agreement, if mutually agreed to by the Client and Gannett Fleming, if required by circumstances beyond Gannett Fleming's control, or if Gannett Fleming's services are affected by circumstances provided in paragraph 7.2 below. Gannett Fleming agrees to notify the Client of such circumstances at the time and Client agrees to notify Gannett Fleming promptly if Client does not agree to such change. If Client determines that all or a part of such changes in services are not required, Client shall so advise Gannett Fleming and Gannett Fleming shall have no obligation to provide those services. Except for a change due to the fault of Gannett Fleming, changes in services shall entitle Gannett Fleming to an adjustment in compensation in accordance with this Agreement.
- 7.2 The rate of compensation for services provided under this Agreement has been agreed to in

anticipation of the orderly and continuous progress of the Project. If any of the following circumstances affect Gannett Fleming's services for the Project, Gannett Fleming shall be entitled to an appropriate adjustment in the Schedule and Compensation:

- (a) Change in the Project criteria, instructions or approvals given by the Client that necessitate revisions;
- (b) Enactment of or revision of codes, laws or regulations or official interpretations or methodology that necessitate changes to previously prepared documents;
- (c) Decisions of the Client not rendered in a timely manner;
- (d) Significant changes in the Project including, but not limited to, size, quality, complexity, the Client's schedule or budget, or procurement method;
- (e) Preparation for or attendance at a public hearing, a dispute resolution proceeding or a legal proceeding, except where Gannett Fleming is a party thereto;
- (f) Gannett Fleming is required to delay commencement of the work or if, upon embarking upon its work, Gannett Fleming is required to stop or interrupt the progress of this work as a result of changes in the services requested by the Client, to fulfill the requirements of third parties, interruptions in the progress of construction, or other causes beyond the control of Gannett Fleming.

7.3 Gannett Fleming will, at mutually agreed upon rates, provide assistance to and on behalf of Client, in the form of technical information, analysis and expert witnesses in claims and/or litigation in connection with this Agreement, including any claims or litigation brought by the Client against third parties or brought against the Client by third parties

8. ACCESS TO PROPERTY

- 8.1 Client shall arrange for access to property and obtain the necessary permissions for Gannett Fleming and/or their representatives to perform the contracted services, by mailings and legal notices, as appropriate.
- 8.2 While Gannett Fleming will take reasonable precautions to minimize damage to the property, it is understood that in the normal course of Services some damage may occur to surface features and landscaping, the correction of which shall be the responsibility of the Client. Gannett Fleming will be responsible for any other damage(s) arising out of the performance of any Project, caused by its or its employee's negligence or willful misconduct.
- 8.3 When access to any plant, facility, structure, roadway or other property is required by Gannett Fleming in the performance of the Services, Gannett Fleming shall execute all security forms, if any, furnished by Client or the facility. Gannett Fleming shall coordinate its schedule and activities on Client's property with Client's designated Project Manager.
- 8.4 Client agrees to advise Gannett Fleming of all plant rules, regulations and safety procedures established by Client or the owner of the facility or site for access to and activities in and around any facilities or site with which Gannett Fleming employees will comply.

9. SUSPENSION/ TERMINATION:

- 9.1 If the Project is suspended for more than thirty (30) calendar days in the aggregate, Gannett Fleming shall be compensated for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting mobilization and demobilization costs. In addition, there shall be an equitable adjustment in the Project schedule based on the delay caused by the suspension. If the Project is suspended for more than ninety (90) calendar days in the aggregate, either party may terminate this Agreement upon giving notice in writing to the other party.
- 9.2 If the Client fails to make payment when due or is otherwise in breach of this Agreement, Gannett Fleming may suspend performance of services by providing five (5) calendar days notice to the Client. Gannett Fleming shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement.
- 9.3 This Agreement may be terminated by either party at any time upon fifteen (15) days prior written notice to the other party. Upon such termination, the Client shall pay to Gannett Fleming all monies owed under this Agreement for all work performed up to the date of receipt of written verification, lost revenue and profits, plus any applicable termination costs if the Agreement was terminated by Client for its convenience. Termination costs include costs of terminating any contracts, leases or other obligations, or loss of revenue incurred by Gannett Fleming in connection with the termination of this Agreement.

10. DOCUMENTS:

- 10.1 At the conclusion of the Services and at such other times as may be reasonably requested by Client, Gannett Fleming shall furnish to Client reports on the status and results of the Project. Such reports shall be in the form, and cover the subject matters, specified by Client.
- 10.2 All plans, drawings, survey notes and other original documents are instruments of service and shall at all times remain the property of Gannett Fleming until paid for in full, after which a copy will be supplied to Client upon its request and at its expense. Client agrees not to reuse such documents on any other project without Gannett Fleming's prior consent, and Client further agrees that any reuse of such drawings not related to the original project shall be at Client's own risk. Client shall defend and indemnify Gannett Fleming from and against all expenses and damages arising out of such reuse or misuse. The Client further agrees that in the event that the Professional Services of Gannett Fleming under a Service Authorization are terminated with or without cause, Gannett Fleming shall not be required to release any files or work product to the Client until such time as Gannett Fleming receives full payment for all Professional Services performed for the Client under the Service Authorization.
- 10.3 Copyright and intellectual property rights in materials produced or developed by Gannett Fleming in the performance of this Agreement shall be owned by Gannett Fleming. Client shall be deemed to possess an implied limited license for the use of these materials.

11. LIABILITY/ DISPUTES

- 11.1 Each party agrees to indemnify and hold the other party, and their respective officers and employees harmless, from and against claims, suits, actions, and damages, including reasonable attorneys' fees, to the extent caused by such parties' willful misconduct or negligent errors or omissions during the performance of this Agreement. This indemnification shall not be limited on amount or type of damages, compensation or benefits payable under workers' compensation acts, disability benefit acts or other employee benefit acts. In no event will either party be liable for consequential damages.
- 11.2 Gannett Fleming's liability for damages of any kind due to breach of contract or warranty, error, omission or professional negligence or any tort shall be the total amount paid to Gannett Fleming under this Agreement or \$50,000, whichever is less. This allocation of risk shall be deemed to be a part of the negotiated terms of the Agreement. Any alterations to the allocation limit must be agreed upon in writing prior to commencement of Services.
- 11.3 Any claim, controversy or dispute between the parties to this Agreement arising out of or in connection with this Agreement, or any breach thereof, shall upon the request of either party, be submitted to the senior officers of each party responsible for this Agreement. In the event that the senior officers cannot come to a resolution or agreement, either party may request mediation and, if both parties agree, the matter shall be submitted to mediation. Upon written notice, the parties shall select a mediator acceptable to both parties in order to resolve the dispute. Any suits brought under this Agreement or in any way arising out of this Agreement must be filed within one year from the time mediation was terminated unsuccessfully or from the time the cause of action arose (if no mediation is undertaken) or it shall be time barred. This Agreement shall be enforced in and governed by the laws of the State where the Project is located.

12. MISCELLANEOUS:

- 12.1 Services performed by Gannett Fleming under this Agreement are intended solely for the benefit of the Client. Nothing contained herein shall confer any rights upon or create any duties on the part of Gannett Fleming, or cause Gannett Fleming to be held to a fiduciary capacity, toward any person or persons not a party to this Agreement including, but not limited to any contractor, subcontractor, supplier, or the agents, officers, employees, of any of them. Neither party shall have the right to assign any rights under this Agreement without the prior written permission of the other party.
- 12.2 Gannett Fleming will, at all times during the performance of this Agreement and in connection with the Services, be deemed to be an Independent Contractor. No relationship of employer-employee or agency or other fiduciary capacity is created by this Agreement or by Gannett Fleming's performance of the Services.
- 12.3 The parties hereby covenant and agree that during the term and for a period of one year after the termination of this Agreement, or any extensions or renewals thereof, neither party will directly or

indirectly solicit, employ, hire or retain any employees of the other party or its affiliates without such parties' prior written consent.

- 12.4 Under no circumstance shall any employee, stockholder, officer or agent of Gannett Fleming have any individual professional liability to the Client in addition to, or/in excess of, Gannett Fleming's liability under this Agreement. Notwithstanding the aforesaid, in the event any judgment is entered against any such individual, Client shall look exclusively to the assets of Gannett Fleming for satisfaction of said judgment.
- 12.5 In the event that any provisions herein shall be deemed invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and binding upon the parties hereto.
- 12.6 This Agreement and attachments constitute all the terms and conditions under which professional work will be performed under this Agreement, which may not be amended except in writing signed by all parties.
- 12.7 Gannett Fleming is committed to conserve natural resources and minimize adverse environmental impacts in projects. Accordingly, project documentation will be provided in electronic format only unless Client specifically requests Gannett Fleming, Inc. to produce hard copies.

SCOPE OF SERVICES

Client: EXETER TOWNSHIP

Project Name: ASSISTANCE IN THE SALE OF THE TOWNSHIP'S WASTEWATER FACILITIES

The services under this Agreement shall consist of the following:

1. Providing miscellaneous assistance as requested to assist the Township in facilitating the sale of the Wastewater Facilities.
- 2.
- 3.

GANNETT FLEMING, INC.
2017 BILLING RATE SCHEDULE FOR
EXETER TOWNSHIP, BERKS COUNTY

<u>EMPLOYEE CLASSIFICATION</u>	<u>HOURLY BILLING RATE</u>
Senior Project Manager/Financial Manager	\$195.00
Senior Engineer/Environmental Specialist	\$150.00
Staff Engineer	\$135.00
Junior Engineer	\$115.00
Engineering Technician	\$95.00
Clerical	\$65.00



Excellence Delivered As Promised

INVOICE

Exeter Twp. Berks Co. Authority
Attn: Mr. John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003155655
Account Name: Gannett Fleming Companies

Check Payment Information:
Gannett Fleming Companies
PO Box 829180
Philadelphia, PA 19182-9160

Project: 047837.05
Invoice No: 047837.05*33702
Invoice Date: April 18, 2017

Federal EIN: 25-1813591
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: March 4, 2017 through March 31, 2017

Project Manager : Roger A. Phillips rphillips@gfnet.com 610 650-8101

Engineering work and services in connection with the Sale of Wastewater Facilities

<u>Labor Costs</u>			
<u>Class/Employee Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
Engineering Technician Patricia L. Kaufman	1.00	\$ 95.00	\$ 95.00
Senior Project Manager Roger A. Phillips	7.00	195.00	1,365.00
Total Labor	8.00		\$1,460.00
Amount Due			1,460.00

Total Invoice Amount \$1,460.00

PA 15,75.17
600571-43130
V-01 8271



Excellence Delivered As Promised

INVOICE

ACH/EFT Payment Information:
ABA: 091312738
Account No.: 5003165655
Account Name: Gannett Fleming Companies

Exeter Twp, Berks Co, Authority
Attn: Mr. John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

Check Payment Information:
Gannett Fleming Companies
PO Box 829160
Philadelphia, PA 19182-9160

Project: 047837.05
Invoice No: 047837.05*34820
Invoice Date: May 10, 2017

Federal EIN: 25-1613591
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: April 1, 2017 through April 28, 2017

Project Manager: Roger A. Phillips rphillips@gfnet.com 610 850-8101

Engineering work and services in connection with the Sale of Wastewater Facilities

<u>Class/Employee Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
Engineering Technician Patricia L. Kaufman	1.50	\$ 95.00	\$ 142.50
Senior Project Manager Roger A. Phillips	35.00	195.00	6,825.00
Staff Engineer Nicholaus J. Sahd	10.00	135.00	1,350.00
Total Labor	46.50		\$8,317.50
Amount Due			8,317.50

Total Invoice Amount **\$8,317.50**

Eng. Sewer Sale \$8317.50

ADMINISTRATION
APR 28 2017
08600571 / 48130
8271

OK



Gannett Fleming

Excellence Delivered As Promised

INVOICE

RECEIVED
90/05

ACHIEFT Payment Information:

ABA: 081312738

Account No.: 5003165655

Account Name: Gannett Fleming Companies

Exeter Twp, Berks Co, Authority
Attn. Mr John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19608

Check Payment Information:

Gannett Fleming Companies
PO Box 829160
Philadelphia, PA 19182-9160

Project: 047837.05
Invoice No: 047837 05*36908
Invoice Date: June 14, 2017

Federal EIN: 25-1613591
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: April 29, 2017 through May 26, 2017

Project Manager: Roger A. Phillips rphillips@gfnet.com 610 650-8101

Engineering work and services in connection with the Sale of Wastewater Facilities

Labor Costs

<u>Class/Employee Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
Senior Project Manager Roger A. Phillips	13.00	\$ 195.00	\$ 2,535.00
Technician Hollye D Wagner	1.00	70.00	70.00
Total Labor	14.00		\$2,605.00
Amount Due			2,605.00

Total Invoice Amount **\$2,605.00**

PAID	
APPROVED	DATE
PH	6/27/17
CHECK	
NO	600571-43130
AMOUNT	8271

J



Excellence Delivered As Promised

INVOICE

ACHIEFT Payment Information:
ABA: 031312738
Account No.: 5003185655
Account Name: Gannett Fleming Companies

Exeter Twp, Berks Co, Authority
Attn: Mr. John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19608

Check Payment information:
Gannett Fleming Companies
PO Box 829180
Philadelphia, PA 19182-9160

Project: 047837.05
Invoice No: 047837.05*38324
Invoice Date: July 17, 2017

Federal EIN: 25-1813591
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: May 27, 2017 through June 30, 2017

Project Manager: Roger A. Phillips rphillips@gfnet.com 610 650-8101

Engineering work and services in connection with the Sale of Wastewater Facilities

<u>Labor Costs</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
Senior Project Manager Roger A. Phillips	14.00	\$ 195.00	\$ 2,730.00
Total Labor	14.00		\$2,730.00
Amount Due			2,730.00

Eng - Swen Sale
 84.17
 08600571/43130
 8271

Total Invoice Amount

\$2,730.00

GK Swen



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn. John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*2651
Invoice Date: August 8, 2017

8 22 17
08000571 | 43130
8271

Federal EIN: 48-4413705
Send Remit Info: AccountsReceivable@gfnet.com

For Professional Services Rendered through: August 4, 2017

Project Manager : Harold Walker III hwalker@gfnet.com 610 650-8101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase OCPRE - OCNLD STUDY SERVICES	\$ 41,032.30
Total Charges	\$41,032.30
Total Due This Invoice	\$41,032.30



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003185665
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*2808
Invoice Date: September 29, 2017

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: August 5, 2017 through September 1, 2017

Project Manager: Harold Walker III hwalker@gfnet.com 610 650-3101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase ENGA	- SECTION 1329 ENGINEER ASSESSMT SVCS	\$	480.00
Phase OCPRE	- OCNLD STUDY SERVICES		1,772.72
	Total Charges		<u>\$ 2,232.72</u>
	Total Due This Invoice		\$2,232.72

Valuation Engineering Services

ADMINISTRATION	
Approval: <i>[Signature]</i>	Date: 10/2/17
Code: 08600571	2232.72
V. # 01	8271



Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*2808
Invoice Date: September 29, 2017

Gannett Fleming Valuation and Rate Consultants, LLC

Phase ENGA -- Section 1329 Engineer Assessmt Svcs

Labor Costs			
<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Harold Walker	2.00	\$ 230.00	\$ 460.00
Total Labor Costs			\$ 460.00
Total Phase -- ENGA			\$ 460.00

Phase OCPRE -- OCNLD Study Services

Labor Costs			
<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Engineer VI	7.00	230.00	1,610.00
Support Staff	1.00	105.00	105.00
Total Labor Costs			\$ 1,715.00
Unit Costs			
Co Vehicle Usage - Four-wheel Drive			57.72
Total Unit Costs			\$ 57.72
Total Phase -- OCPRE			\$ 1,772.72



Gannett Fleming

Excellence Delivered As Promised

Project: 062852

Invoice No: 062852*2808

Invoice Date: September 29, 2017

Gannett Fleming Valuation and Rate Consultants, LLC

Phase ENGA -- Section 1329 Engineer Assessmt Svcs

Labor Costs

Labor Classification

Hours

Rate

Amount

Harold Walker

2.00

\$ 230.00

\$ 460.00

Total Labor Costs

\$ 460.00

Total Phase -- ENGA

\$ 460.00

Phase OCPRE -- OCNLD Study Services

Labor Costs

Labor Classification

Hours

Rate

Amount

Engineer VI

7.00

230.00

1,610.00

Support Staff

1.00

105.00

105.00

Total Labor Costs

\$ 1,715.00

Unit Costs

Co Vehicle Usage - Four-wheel Drive

57.72

Total Unit Costs

\$ 57.72

Total Phase -- OCPRE

\$ 1,772.72



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*2857
Invoice Date: October 17, 2017

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: September 2, 2017 through September 29, 2017

Project Manager : Harold Walker III hwalker@gfnet.com 610 650-8101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase OCPRE - OCNLD STUDY SERVICES	\$ 282.50
Total Charges	<u>\$ 282.50</u>
Total Due This Invoice	\$282.50

Valuation/Engineering services

ADMINISTRATION	
Approv [Signature]	Date 10/30/17
Code 01. 08600571/43130	282.50
V # 01. 8271	



Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*2857
Invoice Date: October 17, 2017

Gannett Fleming Valuation and Rate Consultants, LLC

Phase OCPRE – OCNLD Study Services

Labor Costs

Labor Classification

Hours

Rate

Amount

Engineer VI

1.00

\$ 230.00

\$ 230.00

Support Staff

0.50

105.00

52.50

Total Labor Costs

\$ 282.50

Total Phase – OCPRE

\$ 282.50



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829180
Philadelphia, PA 19182-9180

Project: 062852
Invoice No: 062852*2947
Invoice Date: November 27, 2017

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: September 30, 2017 through October 27, 2017

Project Manager : Harold Walker III hwalker@gfnet.com 610 650-8101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase FMV	- SECTION 1329 UTIL VAL EXPERT SVCS	\$ 972.50
	Total Charges	\$ 972.50
	Total Due This Invoice	\$972.50

Valuation/Engineering SVCS

ADMINISTRATION	
At	12 1 17
C	08600571/43130
V#	8271

972.50



Gannett Fleming

Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*2947
Invoice Date: November 27, 2017

Gannett Fleming Valuation and Rate Consultants, LLC

Phase FMV – Section 1329 Util Val Expert Svcs

Labor Costs

Labor Classification

Hours

Rate

Amount

Harold Walker

4.00

\$ 230.00

\$ 920.00

Support Staff

0.50

105.00

52.50

Total Labor Costs

\$ 972.50

Total Phase – FMV

\$ 972.50



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*2970
Invoice Date: December 11, 2017

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: October 28, 2017 through November 24, 2017

Project Manager : Harold Walker III hwalker@gfnet.com 610 650-8101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase ENGA	- SECTION 1329 ENGINEER ASSESSMT SVCS	\$	920.00
	Total Charges		<u>\$ 920.00</u>
	Total Due This Invoice		\$920.00

Valuation/Engineering SVCS

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12/19/17	
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V# 8271	

920.00



Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*2970
Invoice Date: December 11, 2017

Gannett Fleming Valuation and Rate Consultants, LLC

Phase ENGA – Section 1329 Engineer Assessmt Svcs

Labor Costs

Labor Classification

Hours

Rate

Amount

Harold Walker

4.00

\$ 230.00

\$ 920.00

Total Labor Costs

\$ 920.00

Total Phase – ENGA

\$ 920.00



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165656
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*3335
Invoice Date: May 21, 2018

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: March 31, 2018 through April 27, 2018

Project Manager : Harold Walker III hwalker@gfnet.com 610 650-8101

Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase ENGA	- SECTION 1329 ENGINEER ASSESSMT SVCS	\$	972.50
	Total Charges		\$ 972.50
	Total Due This Invoice		\$972.50

Valuation/Engineering SVCS

ADMINISTRATION	
Approved: <i>[Signature]</i>	Date: 5/23/18
Code: 01	08600571/43130
W# 8271	



Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*3335
Invoice Date: May 21, 2018

Gannett Fleming Valuation and Rate Consultants, LLC

Phase ENGA – Section 1329 Engineer Assessmt Svcs

Labor Costs

Labor Classification

Hours

Rate

Amount

Harold Walker

4.00

\$ 230.00

\$ 920.00

Support Staff

0.50

105.00

52.50

Total Labor Costs

\$ 972.50

Total Phase – ENGA

\$ 972.50



Excellence Delivered As Promised

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Exeter Township
Attn: John Granger, Township Manager
4975 DeMoss Road
Reading, PA 19606

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165656
Account Name: Gannett Fleming

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 062852
Invoice No: 062852*3443
Invoice Date: June 26, 2018

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: April 28, 2018 through May 25, 2018

Project Manager: Harold Walker III hwalker@gfnet.com 610 650-8101
Consulting Services - Valuation & Related Engineering Services

Summary of Current Charges

Phase ENGA - SECTION 1329 ENGINEER ASSESSMT SVCS	\$ 232.50
Total Charges	<u>\$232.50</u>
Total Due This Invoice	\$232.50

valuation/engineering svcs

ADMINISTRATION	
Approved: PJ	Date: 6/28/18
Code: 01	06600571/43180
V# 8271	



Gannett Fleming

Excellence Delivered As Promised

Project: 062852
Invoice No: 062852*3443
Invoice Date: June 26, 2018

Gannett Fleming Valuation and Rate Consultants, LLC

Phase ENGA – Section 1329 Engineer Assessmt Svcs

Labor Costs

Labor Classification

Hours

Rate

Amount

Engineer V

1.00

\$ 180.00

\$ 180.00

Support Staff

0.50

105.00

52.50

Total Labor Costs

\$ 232.50

Total Phase -- ENGA

\$ 232.50

Invoice Number	Vendor	Description	Journal Year	Journal Period	Gross Amount	Invoice Date
<u>047837.05*33702</u>	GANNETT FLEMING INC	ENG SVCS / MARCH 2017 - SEWER	2017	5	1,460.00	4/18/2017
<u>047837.05*34820</u>	GANNETT FLEMING INC	ENG - SEWER SALE	2017	6	8,317.50	5/10/2017
<u>047837.05*36908</u>	GANNETT FLEMING INC	ENGINEERING SVCS - SEWER	2017	7	2,605.00	6/14/2017
<u>047837.05*38324</u>	GANNETT FLEMING INC	ENG - SEWER SALE	2017	8	2,730.00	7/17/2017
<u>062852*2651</u>	GANNETT FLEMING INC	PROF SVCS THRU 8/4/2017 - SEWER	2017	8	41,032.30	8/8/2017
<u>062852*2808</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SERVICES	2017	10	2,232.72	9/29/2017
<u>062852*2857</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2017	11	282.50	10/17/2017
<u>062852*2947</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2017	12	972.50	11/27/2017
<u>062852*2970</u>	GANNETT FLEMING INC	VALUATION/ENGINEERING SVCS	2017	12	920.00	12/11/2017
<u>062852*3335</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	5	972.50	5/21/2018
<u>062852*3443</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	7	232.50	6/26/2018
<u>062852*3495</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	8	13,162.50	7/23/2018
					74,920.02	

Invoice Number	Vendor	Description	Journal Year	Journal Period	Gross Amount	Invoice Date
<u>047837.05*33702</u>	GANNETT FLEMING INC	ENG SVCS / MARCH 2017 - SEWER	2017	5	1,460.00	4/18/2017
<u>047837.05*34820</u>	GANNETT FLEMING INC	ENG - SEWER SALE	2017	6	8,317.50	5/10/2017
<u>047837.05*36908</u>	GANNETT FLEMING INC	ENGINEERING SVCS - SEWER	2017	7	2,605.00	6/14/2017
<u>047837.05*38324</u>	GANNETT FLEMING INC	ENG - SEWER SALE	2017	8	2,730.00	7/17/2017
<u>062852*2651</u>	GANNETT FLEMING INC	PROF SVCS THRU 8/4/2017 - SEWER	2017	8	41,032.30	8/8/2017
<u>062852*2808</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SERVICES	2017	10	2,232.72	9/29/2017
<u>062852*2857</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2017	11	282.50	10/17/2017
<u>062852*2947</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2017	12	972.50	11/27/2017
<u>062852*2970</u>	GANNETT FLEMING INC	VALUATION/ENGINEERING SVCS	2017	12	920.00	12/11/2017
<u>062852*3335</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	5	972.50	5/21/2018
<u>062852*3443</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	7	232.50	6/26/2018
<u>062852*3495</u>	GANNETT FLEMING INC	VALUATION / ENGINEERING SVCS	2018	8	13,162.50	7/23/2018
					74,920.02	

**Agreement to Provide Valuation Consulting Services
Between**

AUS Consultants

And

**Pennsylvania America Water Company
For the Appraisal of**

Exeter Township's Sewer System

As of the most recent period (First Quarter 2017)

Amended and Restated Agreement for Valuation Consulting Services

This Amended and Restated Agreement for Valuation Consulting Services (“Agreement”) is by and between AUS Consultants, a New Jersey corporation (“Supplier”) and Pennsylvania-American Water Company, a Pennsylvania corporation (“PA-American”) and is entered into as of April 26, 2017. In consideration of the covenants hereinafter contained, and intending to be legally bound, the Parties hereto agree to as follows:

Section 1. Description of Services:

Supplier is being engaged to act as a Utility Valuation Expert, as such term is defined in Pennsylvania Act 12 of 2016, amending Chapter 13 of the Pennsylvania Public Utility Code and the Final Implementation Order entered by the Public Utility Commission at Docket No. M-2016-2543193 (collectively, “Act 12”). Supplier is being engaged with respect to the proposed acquisition by PA-American of the wastewater system assets currently owned by the Exeter Township, Pa. (the “Exeter Project”). Upon the issuance of a notice to proceed by PA-American, Supplier shall prepare and produce the following appraisals and/or studies suitable for the Project, including if requested (collectively, the “Services”):

1. An Appraisal (Valuation study) consistent with the 2016-2017 & 2017-2018 Uniform Standards of Appraisal Practices (USPAP) as of the date requested by PA-American and consistent with the requirements of Act 12.
2. If applicable, provide expert witness testimony and documentation for the Valuation studies as required by Act 12.
3. If requested by PA-American, updates to the Valuation studies as of the date requested by PA-American.
4. Provide the documentation required by Act 12 with respect to the Services and the fees charged by Supplier pursuant to this Agreement.
5. If requested by PA-American, perform such other services as are consistent with Supplier’s engagement as a Utility Valuation Expert.

Section 2. Duration:

Unless amended, the Project subject to this Agreement is anticipated to be approximately two years in duration and will be performed for the period beginning upon the issuance of a notice to proceed by PA-American and continuing through April 25, 2019. Supplier acknowledges and agrees that it shall not and shall have no obligation to provide the Services until such time as PA-American has issued a notice to proceed. To the extent Act 12 imposes any requirements with respect to the timing for the completion of the Services, the commencement date for such Services shall not be deemed to be any earlier than the date PA-American issues the notice to proceed.

Proprietary and Confidential

This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

Section 3. Effective & Expiration Dates:

This Agreement shall be effective as of the date set forth in the first paragraph hereof ("Effective Date") and shall continue until the earlier to completion on the Project or April 25, 2019 ("Expiration Date") unless earlier terminated as set forth in this Agreement.

Section 4. Personnel to Perform the Services:

Jerome C. Weinert, Principal and Director, shall be in charge of the Services on behalf of Supplier. Supplier shall call upon additional experienced professional staff as required. In the event that this Project or Agreement should not continue for any reason, or should PA-American replace the need for Supplier, PA-American shall give notice as soon as feasibly possible for Supplier to re-deploy their resources elsewhere without any penalty to PA-American.

Both parties recognize the importance of maintaining a continuity of Supplier's personnel on this Project. Supplier agrees that any of its employees, staff, professionals, experts, partners, and/or other personnel: (a) identified as the "Project Team" identified in Section 6 of this Agreement, and/or (b) assigned to this Project subsequent to the execution of this Agreement, shall continue to be staffed on this Project throughout the entire length of time Project Services are provided under this Agreement. Further, said personnel shall be used in the same capacities in which they are initially intended as of the execution date of this Agreement, or as of the date they are assigned to the Project subsequent to execution date of this Agreement, so long as they continue to be employed by Supplier, or so long as PA-American continues to desire their services.

Should Supplier terminate its relationship and/or employment with said personnel, or if said personnel terminates the relationship with Supplier and/or resigns from employment with Supplier, to the extent that Supplier, for any reason, enters into non-compete or similar agreement(s) and/or arrangement (s) with any of its employees, staff, professionals, experts, partners, and/or other personnel, Supplier agrees to immediately release said personnel from non-compete or similar agreement(s) and/or arrangement(s) with respect to being able to work for PA-American in any capacity PA-American sees fit.

Should any or all of Suppliers employees, staff, professionals, experts, partners, and/or other personnel staffed on this Project leave the employ of Supplier during the terms of this Agreement, Supplier agrees to immediately notify PA-American and suggest alternative personnel to be staffed on the Project. In no event shall any Supplier employee, staff, professional, expert, partner, and/or other personnel be assigned to this Project (whether identified in this Section 4, or identified elsewhere subsequent to the execution of this Agreement) without the express written permission and approval by PA-American. Further, PA-American reserves the right to terminate the Services of any of Supplier employee, staff, professional, expert, partner, and/or other personnel working on this Project at any time, and for any reason, without penalty.

Section 5. Location:

Supplier's (AUS Consultants') offices in Harrisburg, Pennsylvania, Mt. Laurel, New Jersey, Greenfield, Wisconsin and various PA-American Company's sites as may be required.

Proprietary and Confidential

This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation

Section 6. Prices:

Supplier fees for the Services are as follows:

Appraisal Activity	Preliminary Appraisal Fees	Appraisal completion to a Section 1329 Compliant Appraisal Fees	Total Appraisal Fees	Expenses (not to exceed) Expense
Appraisal				
Initial Appraisal	\$19,500	\$10,200	\$29,700	\$3,200
Appraisal updates		\$2,500	\$2,500	\$800
Pre-filed Direct testimony related to the above described Valuation studies		\$3,000	\$3,000	\$500

Valuation Activity performed by AUS Consultants staff following completion of pre-filed testimony	Hourly Rates plus expenses
Jerome C. Weinert	\$250
David Sheffer	175
David Weiler	175
Michael Diedrich	225
Elizabeth A. Weinert	150
Earl Robinson	200
Susan Macchia	50

The expenses in the above tables are for travel and living, report production and shipping.

Pursuant to current USPAP requirements, Supplier is required to inform PA-American that the Supplier, AUS Consultants, has performed a preliminary appraisal and depreciated original cost study for the Project's subject property for Aqua Pennsylvania, Inc. over the last three years.

Supplier recognizes that its fees for the Project are subject to disclosure pursuant to Act 12 and so that Pa-American can include such fees as part of the transaction and closing costs associated with the proposed acquisition of the Project. Supplier further recognizes that its fees shall not exceed five percent (5%) of the fair market value of the assets to be acquired as part of the Project unless such fees are approved by the Pennsylvania Public Utility Commission ("PUC"). Supplier agrees that its fees shall comply with the requirements of Act 12 and the PUC Implementation Order regarding Act 12.

Proprietary and Confidential

This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation

Section 7. Payment:

Payment all undisputed amounts shall be made within 60 days upon PA-American being invoiced each month for all work completed during the prior month, or partial payment upon being invoiced should this appraisal engagement be suspended.

All payment terms are Net 60.

Section 8. Non-Disclosure:

A. The Parties agree as follows:

1. In connection with the Project, PA-American may find it beneficial to disclose to Supplier certain confidential or proprietary information in written, oral or other tangible or intangible forms, which may include, but is not limited to, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, tracings, diagrams, models, samples, flow charts, data, computer programs, disks, diskettes, tapes, marketing plans, customer names and other technical, financial or business information (individually and collectively, "Information"). All Information which is disclosed by PA-American to Supplier, whether provided in tangible or intangible form, including, but not limited to, electronic mail or other electronic communications, shall be deemed to be confidential or proprietary. Further, if Information is provided orally, including Information conveyed to an answering machine, voice mail box or similar medium, it shall too be deemed to be confidential or proprietary.
2. Supplier shall:
 - a. Hold such Information in confidence with the same degree of care with which Supplier protects its own confidential or proprietary Information, but no less than reasonably prudent care;
 - b. Restrict disclosure of the Information solely to its employees, contractors and agents with a need to know such Information, advise those persons of their obligations hereunder with respect to such Information, and assure that such persons are bound by obligations of confidentiality no less stringent than those imposed in this Agreement;
 - c. Use the Information only as needed for the purposes of the Project;
 - d. Except for the purposes of the Project, not copy, distribute, or otherwise use such Information or knowingly allow anyone else to copy, distribute, or otherwise use such Information; any and all copies shall bear the same notices or legends, if any, as the originals; and,
 - e. Upon request, promptly return to PA-American all Information that is in tangible form; as to Information that was disclosed or is stored in intangible form, including, but not limited to electronic mail or other electronic communications, upon request by the PA-American, Supplier shall certify in writing within five (5) business days to PA-American that all such Information has been destroyed or, if the Information was recorded on an erasable storage medium, that Supplier has used reasonable efforts to erase all such Intangible Information.

Proprietary and Confidential

This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

3. Except for customer Information, Supplier shall have no obligation to preserve the confidential or proprietary nature of any Information which:
 - a. Was already known to the Supplier free of any obligation to keep it confidential at the time of its disclosure by PA-American as evidenced by Supplier's written records prepared prior to such disclosure; or
 - b. is or becomes publicly known through no wrongful act of Supplier; or
 - c. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to PA-American with respect to such Information; or
 - d. is independently developed by an employee, contractor or agent of Supplier or a third party not associated with the Project and who did not have any direct or indirect access to the Information, as evidenced by the Supplier's written records; or
 - e. is approved for release by written authorization by PA-American; or,
 - f. it is required to disclose pursuant to a written request or demand of a duly empowered government agency or a court of competent jurisdiction, provided due notice and an adequate opportunity to intervene is given to PA-American, unless such notice is prohibited by such written request or demand, in which case, the Supplier shall disclose only such Information as is required and shall use reasonable efforts to obtain confidential treatment for any Information that is so disclosed.
4. Any Information relating to the Project that is disclosed by PA-American to Supplier shall remain confidential for five (5) years from the date of termination of the Agreement. Notwithstanding anything to the contrary herein, Customer Information shall remain confidential indefinitely and shall never be disclosed or used without the prior written approval of an authorized representative of PA-American. "Customer Information" includes, but is not limited to, customer name, address, phone number, information concerning a customer's calling patterns, unlisted customer numbers, any other information associated with a customer or with persons in the household of a customer, and any information available to PA-American and/or its suppliers by virtue of PA-American's relationship with its customers as a provider of telecommunications, Internet, information or other services, including, but not limited to, the quantity, technical configuration, location, type, destination, amount of use of telecommunications or other services subscribed to, and information contained on the telephone bills of PA-American's customers pertaining to telephone exchange service, telephone toll service or other services received by a customer of PA-American.
5. Any disclosed Information by PA-American shall be deemed the property of PA-American, who shall retain exclusively rights to such Information. Nothing contained in this Agreement shall be construed as granting or conferring any patent, copyright, trademark or other proprietary rights by license or otherwise in any such Information to Supplier, except for the right to use such Information in accordance with this Agreement.

Proprietary and Confidential

This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

6. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, PA-AMERICAN MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER WITH RESPECT TO ANY INFORMATION FURNISHED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES AGAINST INFRINGEMENT.
7. In the event Supplier discloses, disseminates, or releases any confidential or proprietary Information received from PA-American, except as expressly permitted herein, such disclosure, dissemination, or release shall be deemed a material breach of this Agreement. In the event of such breach, PA-American may demand prompt return of all confidential and proprietary Information previously provided to Supplier and terminate this Agreement. The provisions of this Section are in addition to any other legal rights or remedies PA-American may have in law or in equity.
8. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, irrespective of its choice of law principles. Both Parties agree to comply with all laws, including, but not limited to, laws and regulations regarding the export of information outside the United States. Supplier shall not knowingly transmit, directly or indirectly, in whole or in part, any Information of PA-American or export, directly or indirectly, any product or Information in contravention of the laws of the United States or the laws of any other country governing the aforesaid activities. Supplier shall not transfer any Information received hereunder or any product made using such Information to any country prohibited from receiving such data or product by the U.S. Department of Commerce Export Administration Regulations without first obtaining a valid export license. In the event Supplier violates the foregoing, Supplier shall defend, indemnify, and hold harmless PA-American from and against any claim, loss, liability, expense or damage including fines or legal fees, incurred PA-American with respect to the export or re-export activities contrary to the foregoing. Notwithstanding any other provision of this Agreement, this Section shall survive any termination or expiration of this Agreement.

Section 9. Ownership of Paid-For Development, Use and Reservation of Rights:

PA-American shall be the exclusive owner of all right, title, and interest in and to all Paid-For Development (defined below), including, without limitation, all Intellectual Property Rights therein and thereto. Supplier shall assign or have assigned to PA-American and hereby assigns to PA-American all Intellectual Property Rights in and to the Paid-For Development. "Paid-For Development" shall mean any and all Items to the extent produced or developed by or on behalf of Supplier or its employees, agents, or direct or indirect contractors or suppliers (and whether completed or in-progress), or forming part of any deliverable, pursuant to this Agreement (including, without limitation under any statement of work, exhibit, order or other document under, subordinate to, or referencing this Agreement or the Project) (collectively "Agreements") for the development of which PA-American has been charged monies in one or more of the Agreements ("Development Fees"). Paid-For Development shall always exclude all Excluded Materials, but shall include

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This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

(without limitation) any modifications, alterations or updates of any Excluded Materials (“Enhancements”) that otherwise fall within the definition of Paid-For Development (“Paid-For Enhancements”). PA-American’s ownership of Paid-For Enhancements shall be subject to Supplier’s underlying rights and ownership in Supplier’s Excluded Materials.

“**Items**” shall mean any or all inventions, discoveries, ideas, (whether patentable or not), and all works and materials, including but not limited to products, devices, computer programs, source codes, designs, files, specifications, texts, drawings, processes, data or other information or documentation in preliminary or final form, and all Intellectual Property rights in or to any of the foregoing.

“**Excluded Materials**” shall mean: i) Supplier’s Pre-Existing Materials; ii) Supplier’s Independently Developed Materials; and iii) Supplier’s Mere Reconfigurations.

“**Supplier’s Pre-Existing Materials**” shall mean those Items owned by Supplier to the extent and in the form that they both existed prior to the date Supplier began any work under this Agreement and were created without any use of any PA-American Items. Supplier’s Pre-Existing Materials shall not, however, include Paid-For Enhancements thereto.

“**Supplier’s Independently Developed Materials**” shall mean those Items that have been developed by Supplier, or on Supplier’s behalf, both i) without use of any PA-American Items; and ii) independently of any work performed under any Agreements.

“**Supplier’s Mere Reconfigurations**” means those specific reconfigurations of Supplier’s pre-existing software performed by Supplier, or on Supplier’s behalf, but only to the extent that such reconfiguration is an alteration to such software which is strictly required to permit Supplier’s software to function on PA-American’s network or service platform. In no event shall Supplier’s Mere Reconfigurations include enhancements, modifications, or updates that are not contained in Supplier’s Pre-Existing Materials and that add any features, functionality, or capabilities.

“**Intellectual Property Rights**” means all patents (including all reissues, divisions, continuations, and extensions thereof) and patent applications, trade names, trademarks, service marks, logos, trade dress, copyrights, trade secrets, mask works, rights in technology, know-how, rights in content (including but not limited to performance and synchronization rights), or other intellectual property rights, protected under the laws of any governmental authority having jurisdiction.

Section 10. Right to Terminate:

PA-American has the right to terminate this Agreement, in its entirety or any portion thereof, at any time without penalty. Should PA-American terminate this Agreement at any time, Supplier shall be entitled to keep and collect all fees billed to PA-American prior to the termination date which are not the subject of a dispute between the parties. Further, Supplier shall be entitled to charge, and PA-American agrees to pay for all properly performed Services as of the termination date in accordance with the rates set forth in Section 6 or, in the case of a fixed fee, a prorata share of the monthly billing during the month in which the Agreement was terminated. Said prorata share shall be

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calculated by dividing the total number of days worked by Supplier during the month in which the Agreement is terminated, by the total number of calendar days in the month in which the Agreement was terminated.

Section 11. Invoices/Billing Information:

The Supplier agrees to submit invoices in paper and or electronic form with appropriate references to the PA-American Point of Contact identified in Section 12.

Section 12. Project Manager/Point of Contact/Legal Counsel:

The project manager and/or point of contact of Supplier shall be:

Jerome C. Weinert
Principal and Director
AUS Consultants
Suite 201
8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
E-Mail: weinertj@auswest.net
414-529-5755 (office)
414-529-5750 (fax)
414-698-8371 (cell)

The point of contact for PA-American shall be:

Scott D. Fogelsanger, Senior Business Development Manager
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055-4475
717-790-3044 (office)
717-875-2282 (cell)
717-790-3058 (fax)
Email: Scott.Fogelsanger@amwater.com

The Legal Counsel contact for PA-American shall be:

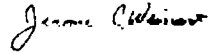
Andrew L. Swope, Vice President, General Counsel
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-531-3210 (office)
717-574-2691 (cell)
717-531-3399 (fax)
Email: Andrew.Swope@amwater.com

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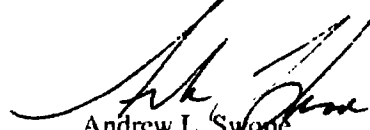
Section 13. Signatures:

AUS Consultants (Supplier)



Jerome C. Weinert
April 26, 2017

Pennsylvania American Water Company



Andrew L. Swope
April 26, 2017

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Jerome C. Weinert, PE, ASA, CDP
Principal and Director, Depreciation and Valuation
e-mail: weinertj@auswest.net

AUS CONSULTANTS

8555 West Forest Home Avenue
Suite 201
Greenfield, WI 53228
414.529.5755 • Tel
414.529.5750 • Fax
www.ausconsultants.com

June 2, 2017

Mr. Scott D. Fogelsanger
Senior Business Development Manager
Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055-4475

Dear Scott:

Re: Exeter

Enclosed is our progress invoice for AUS Consultants appraisal of the Exeter Wastewater Utility System. This invoice is for appraisal activities through issuing our preliminary appraisal report on May 17, 2017.

Very truly yours,

A handwritten signature in black ink, appearing to read "J Weinert", is written in a cursive style.

eaw
Enclosure

INVOICE

Pennsylvania American Water Company

June 2, 2017

Re: Exeter

Enclosed is our progress invoice for AUS Consultants appraisal of the Exeter Wastewater Utility System. This invoice is for appraisal activities through issuing our preliminary appraisal report on May 17, 2017.

Professional Fee

PROFESSIONAL FEE THIS INVOICE.....\$14,000.00

Expenses

Report Processing..... \$0

Fed Ex..... \$ 0

EXPENSES THIS INVOICE.....\$ 0

GRAND TOTAL THIS INVOICE \$14,000.00

Please remit with a duplicate copy of this invoice to:

**AUS Consultants, Inc.
155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054**

CUSTOMER I.D. 70-PAA-01

INVOICE NO. 145986

Reference No. 10-0625-01

(G/L No. 441036)

Employer I.D. No.22-194-3906

INCORPORATED

Remit Wires to:

AUS, Inc. at Webster Bank, N.A.

Account 10974951, ABA# ACH211170101

International Swift# WENAUS31



Jerome C. Weinert, PE, ASA, CDP
Principal and Director, Depreciation and Valuation
e-mail: weinertj@auswest.net

AUS CONSULTANTS

8555 West Forest Home Avenue
Suite 201
Greenfield, WI 53228
414.529.5755 " Tel
414.529.5750 " Fax
www.ausconsultants.com

September 7, 2017

Mr. Scott D. Fogelsanger
Senior Business Development Manager
Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055-4475

Dear Scott:

Re: Exeter

Enclosed is our progress invoice for AUS Consultants appraisal of the Exeter Wastewater Utility System. This invoice is for appraisal activities through issuing our updated preliminary appraisal report on July 17, 2017.

Very truly yours,

A handwritten signature in black ink, appearing to read 'J. Weinert', is written over a faint circular stamp or watermark.

eaw
Enclosure

INVOICE

Pennsylvania American Water Company

September 7, 2017

Re: Exeter

Enclosed is our progress invoice for AUS Consultants appraisal of the Exeter Wastewater Utility System. This invoice is for appraisal activities through issuing our updated preliminary appraisal report on July 17, 2017.

Professional Fee

PROFESSIONAL FEE THIS INVOICE.....\$7,775.00

Expenses

Report Processing.....\$0

Fed Ex.....\$0

EXPENSES THIS INVOICE.....\$0

GRAND TOTAL THIS INVOICE \$7,775.00

Please remit with a duplicate copy of this invoice to:

**AUS Consultants, Inc.
155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054**

CUSTOMER I.D. 70-PAA-01

INVOICE NO. 146772

Reference No. 10-0625-02

(G/L No. 441036)

Employer I.D. No.22-194-3906

INCORPORATED

Remit Wires to:

AUS, Inc. at Webster Bank, N.A.

Account 10974951, ABA# ACH211170101

International Swift# WENAUS31

