

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Price	5.39	5.87	5.98	6.12	6.25	6.44	6.16	6.50	6.79	6.75	6.60	6.50	6.98	7.19	7.26	7.77	8.05	8.05	8.40
Gain	.99	1.18	1.20	1.15	1.28	1.33	1.33	1.49	1.53	1.40	1.55	1.46	1.56	1.72	1.84	1.97	2.20	2.30	2.55
Return	.51	.66	.73	.61	.73	.71	.82	.87	.89	.72	.96	.84	.90	1.03	1.13	1.22	1.40	1.45	1.50
Dividends	.61	.62	.63	.65	.66	.67	.68	.69	.70	.71	.72	.73	.74	.75	.76	.78	.81	.84	.91

CAPITAL STRUCTURE as of 6/30/16			Percent																	REVENUES	
Total Debt	\$147.4 mill.	Due in 5 Yrs \$30.8 mill.	81.1	86.1	91.0	91.2	102.7	102.1	110.4	114.8	117.1	126.0	131	133	160	160	160	160	160	160	
LT Debt	\$131.0 mill.	LT Interest \$5.6 mill.	10.0	11.8	12.2	10.0	14.3	13.4	14.4	16.6	18.4	20.0	23.0	24.0	25.5	25.5	25.5	25.5	25.5	25.5	
(Total interest coverage: 7.4x)			33.4%	32.6%	33.2%	34.1%	32.1%	32.7%	33.9%	34.1%	35.0%	34.5%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	
(39% of Cap'l)			49.5%	49.0%	45.6%	46.6%	43.1%	42.3%	41.5%	40.4%	40.5%	39.4%	38.5%	38.5%	38.5%	38.5%	38.5%	38.5%	38.5%	38.5%	
Pension Assets-12/15 \$52.9 mill.			264.0	268.8	258.4	267.9	310.5	312.5	316.5	321.4	335.8	345.4	350	360	430	430	430	430	430	430	
Pfd Stock \$2.4 mill. Pfd Div'd: \$.1 mill.			317.1	333.9	366.3	376.5	405.9	422.2	435.2	446.5	465.4	481.9	495	515	565	565	565	565	565	565	
Common Stock 16,280,430 shs. as of 7/31/16			5.1%	5.6%	5.8%	5.0%	5.7%	5.2%	5.4%	5.9%	6.3%	6.6%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	
MARKET CAP: \$550 million (Small Cap)			7.5%	8.6%	8.6%	7.0%	8.1%	7.5%	7.8%	8.7%	9.3%	9.6%	10.5%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	
CURRENT POSITION			1.3%	1.8%	2.0%	1%	2.1%	1.0%	1.4%	2.4%	3.1%	3.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	
CASH ASSETS			84%	79%	78%	98%	75%	87%	83%	73%	67%	63%	58%	58%	58%	58%	58%	58%	58%	58%	
OTHER			2.7	3.5	1.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
CURRENT ASSETS			20.2	20.9	27.1	24.0	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	
ACCTS PAYABLE			22.9	24.4	28.3	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	
DEBT DUE			6.4	6.5	9.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	
OTHER			24.9	8.7	16.4	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	
CURRENT LIAB.			12.6	13.1	13.2	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1	
			43.9	28.3	39.1	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	

BUSINESS: Middlesex Water Company engages in the ownership and operation of regulated water utility systems in New Jersey, Delaware, and Pennsylvania. It also operates water and wastewater systems under contract on behalf of municipal and private clients in NJ and DE. Its Middlesex System provides water services to 60,000 retail customers, primarily in Middlesex County, New Jersey. In 2015, the Middlesex System accounted for 59% of operating revenues. At 12/31/15, the company had 293 employees. Incorporated: NJ. President, CEO, and Chairman: Dennis W. Doll. Officers and directors own 3.5% of the common stock; BlackRock Institutional Trust Co., 6.4% (4/16 proxy). Add: 1500 Ronson Road, Iselin, NJ 08830. Tel.: 732-634-1500. Internet: www.middlesexwater.com

Middlesex Water Company shares have taken a step back in price subsequent to registering strong gains over the last few quarters. Since our July review, MSEX stock shed nearly 15% in value. We think the selloff was somewhat warranted, given the equity's rich valuation (from a P/E standpoint). Nevertheless, the company delivered a slightly better-than-expected financial performance in the second quarter. Revenues of \$32.7 million came in modestly above our call. Middlesex's New Jersey operations experienced strong demand for regulated water and from contract customers. Moreover, the rate increase implemented in August of last year by the Board of Public Utilities continues to be a net positive. On the earnings front, the company reported net income of \$0.36 a share, \$0.03 better than we had expected. We are adding two pennies to our 2016 bottom-line estimate. Profit margins are being helped along by lower operation and maintenance expenses, as well as lighter employee benefit costs. This has more than offset higher labor costs. Indeed, we think year-over-year quarterly share-net comparables should be strong through the remainder of the year, resulting in earnings of \$1.40 a share for 2016. The infrastructure replacement project in Edison and South Amboy, New Jersey is under way. Eight miles and \$12 million worth of water mains, valves, and service lines are being upgraded to support the company's distribution system in the area. This equity has been lowered two notches for Timeliness, to 3. Now pegged to mirror the broader market averages over the coming six to 12 months, investors may want to stay on the sidelines, at this juncture. That said, we think conservative, income-seeking accounts should keep MSEX on their radar. We anticipate an above-average dividend yield over the pull to late decade. What's more, water utilities, in general, can be a safe haven in times of turbulent market conditions. Thus, given Middlesex's low Beta (0.70) and relatively noncyclical business model, investors could find these shares appealing should broader market indices take a turn for the worse.

Nicholas P. Patrikis October 14, 2016

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	27.0	29.1	31.3	27.4	114.8
2014	27.1	29.2	32.7	28.1	117.1
2015	28.8	31.7	34.7	30.8	126.0
2016	30.6	32.7	35.5	32.2	131
2017	31.0	33.0	36.0	33.0	133

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	20	28	36	19	1.03
2014	20	29	42	22	1.13
2015	22	31	41	28	1.22
2016	29	36	43	32	1.40
2017	32	34	46	33	1.45

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	185	185	185	1875	.74
2013	1875	1875	1875	.19	.75
2014	.19	.19	.19	1925	.76
2015	1925	1925	1925	19875	.78
2016	19875	19875	19875		

(A) Diluted earnings. May not sum due to rounding. Next earnings report due early November.
(B) Dividends historically paid in mid-Feb.
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YORK WATER				RECENT PRICE				P/E RATIO				RELATIVE P/E RATIO				DIVID YLD		TARGET PRICE RANGE																																				
MINI-YORW				High: 17.9	21.0	18.5	16.5	18.0	18.0	18.1	18.5	22.0	24.3	26.7	33.4	2019 2020 2021																																						
TIMELINESS 3 Lowered 10/14/16				Low: 11.7	15.3	15.5	6.2	9.7	12.8	15.8	16.8	17.6	18.8	19.7	23.8																																							
SAFETY 3 Lowered 7/17/15				LEGENDS																																																		
TECHNICAL 3 Lowered 9/30/16				1.10 x Dividends p sh divided by Interest Rate																																																		
BETA .70 (1.00 = Market)				Relative Price Strength																																																		
2019-21 PROJECTIONS				3-for-2 split 9/06																																																		
Price Gain Ann'l Total				Options: Yes																																																		
High Low 35 25 (+20%) (-15%) 7% -1%				Shaded area indicates recession																																																		
Insider Decisions				<table border="1"> <tr><th>D</th><th>J</th><th>F</th><th>M</th><th>A</th><th>M</th><th>J</th><th>J</th><th>A</th></tr> <tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr> <tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr> </table>												D	J	F	M	A	M	J	J	A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
D	J	F	M	A	M	J	J	A																																														
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0	0	0	0	0	0	0	0	0																																														
0	0	0	0	0	0	0	0	0																																														
Institutional Decisions				<table border="1"> <tr><th>4Q2015</th><th>1Q2016</th><th>2Q2016</th><th>Percent shares traded</th></tr> <tr><td>36</td><td>43</td><td>44</td><td>12</td></tr> <tr><td>24</td><td>30</td><td>38</td><td>8</td></tr> <tr><td>3820</td><td>3860</td><td>4006</td><td>4</td></tr> </table>												4Q2015	1Q2016	2Q2016	Percent shares traded	36	43	44	12	24	30	38	8	3820	3860	4006	4																							
4Q2015	1Q2016	2Q2016	Percent shares traded																																																			
36	43	44	12																																																			
24	30	38	8																																																			
3820	3860	4006	4																																																			
2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017				© VALUE LINE PUB. LLC				19-21																																														
Revenues per sh				5.40				1.90				1.25				.85																																						
"Cash Flow" per sh				1.50				1.65				1.05				.85																																						
Earnings per sh A				1.60				1.10				1.10				1.10																																						
Div'd Decl'd per sh B				.63				.66				.66				.66																																						
Cap'l Spending per sh				1.10				1.10				1.10				1.10																																						
Book Value per sh				8.95				8.75				8.95				10.15																																						
Common Shs Outst'g C				12.00				12.80				12.80				12.80																																						
Avg Ann'l P/E Ratio				22.5				22.5				22.5				22.5																																						
Relative P/E Ratio				1.40				1.40				1.40				1.40																																						
Avg Ann'l Div'd Yield				3.4%				3.4%				3.4%				3.4%																																						
Revenues (\$mill)				65.0				65.0				65.0				65.0																																						
Net Profit (\$mill)				15.0				15.0				15.0				15.0																																						
Income Tax Rate				32.5%				32.5%				32.5%				32.5%																																						
AFUDC % to Net Profit				1.0%				1.0%				1.0%				1.0%																																						
Long-Term Debt Ratio				47.0%				47.0%				47.0%				47.0%																																						
Common Equity Ratio				53.0%				53.0%				53.0%				53.0%																																						
Total Capital (\$mill)				230				230				230				230																																						
Net Plant (\$mill)				290				290				290				290																																						
Return on Total Cap'l				7.5%				7.5%				7.5%				7.5%																																						
Return on Shr. Equity				12.5%				12.5%				12.5%				12.5%																																						
Return on Com Equity				12.5%				12.5%				12.5%				12.5%																																						
Retained to Com Eq				4.0%				4.0%				4.0%				4.0%																																						
All Div'ds to Net Prof				68%				68%				68%				68%																																						

(A) Diluted earnings. Next earnings report due late November.
 (B) Dividends historically paid in late-December, February, June, and September.

(C) In millions, adjusted for splits.

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Company's Financial Strength	B+
Stock's Price Stability	B5
Price Growth Persistence	B0
Earnings Predictability	B5

**The City of McKeesport, Pennsylvania
And
The Municipal Authority of the City McKeesport**

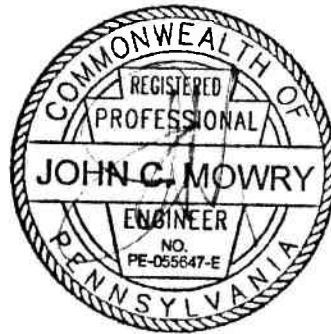
**Appraisal Work Papers
As of September 2016**

**KHL Engineers, Inc.
McKeesport's Engineers Assessment
As of September 2016**

**AUS Consultants
Suite 201
8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
Office Telephone: 414-529-5755
J. Weinert's Cell: 414-698-8371
J. Weinert's E-Mail: weinertj@auswest.net**

THE MUNICIPAL AUTHORITY OF THE
CITY OF MCKEESPORT

Assessment of Tangible Assets
Pursuant to PUC Code §1329(A)(4)



KLH

5173 CAMPBELLS RUN ROAD
PITTSBURGH, PA 15205-9733

Acquisition of the The Municipal Authority of the City of McKeesport

BACKGROUND

The Municipal Authority of the City of McKeesport (the Authority) provides wastewater service to approximately 64,000 people, or about 22,000 accounts, located in McKeesport, Duquesne, Dravosburg, West Mifflin, and Port Vue, all within Allegheny County, Pennsylvania.

OVERVIEW OF THE AUTHORITY'S FACILITIES

The Authority's assets to be acquired consist of facilities for the collection and treatment of wastewater flows from its customers as well as the assets in Dravosburg, Duquesne, and Port Vue (surrounding communities that the Authority acquired). The Authority's collection system consists of approximately 869,531 linear feet of 6" to 72" pipe, manholes, and 10 pump stations. The Authority has 3 (three) wastewater treatment plants – McKeesport plant, Duquesne plant, and Dravosburg plant.

McKeesport Plant

The McKeesport plant has an average daily capacity of 13 mgd and peak instantaneous of 56 mgd. This is achieved by implementing a split treatment process. Raw sewage enters the WWTP and is pumped to the headworks building where it is preliminarily treated through screening and grit removal before being split between the two treatment processes. Flow is split to both the activated sludge and chlorine disinfection processes, and SBRs and UV disinfection process before being combined to one common outfall in an open flume that discharges into the Monongahela River.

Duquesne Plant

The Duquesne plant has a design capacity of 5.0 mgd and has a contact stabilization style activated sludge treatment plant that provides secondary treatment. Influent comes from the combined sewer system, which serves the City of Duquesne and a handful of customers in West Mifflin. There are four (4) flow regulators within the collection system, but none at the treatment plant. Influent flow combines at a manhole within the treatment plant site and flows through the plant in the following manner.

The flow enters the Parshall Flume, which continuously records flow using an ultrasonic flow meter and seven-day chart recorder. It then travels through a mechanically cleaned bar screen, or during times of maintenance, a manually cleaned bar screen. From there, it flows through an aerated grit chamber for grit removal, utilizing a mechanical removal

system and into contact tanks No. 1 & 2, where it is processed by activated stabilized sludge. After that process, the flow is divided into the two (2) clarifier tanks where biological flow and heavy particles settle out. The treated sewage is then chlorinated as it proceeds to the chlorine contact tank before final discharge into the Monongahela River near the mouth of Thompson Run.

Dravosburg Plant

The Dravosburg plant has a design capacity of 0.48 mgd. Raw sewage enters the plant through a comminutor for the grinding of solids before the flow enters the wet well. Three (3) raw sewage pumps in the wet well pump the sewage to the plant's receiving trough. The flow enters an aerated grit tank for the removal of heavy solids. The flow then enters another trough where return activated sludge (RAS) is introduced into the sewage. The wastewater is treated in dual extended aeration tanks before continuing into dual final settling tanks, in which sludge and floatable material is removed. The plant utilizes dual chlorine contact tanks for disinfection. The treated effluent is discharged to the Monongahela River.

OVERVIEW OF THE STUDY

The Engineer's inventory assessment of the Authority's assets was determined primarily by an insurance appraisal conducted by Industrial Appraisal Company. Other sources used were the Authority's books of account, construction records, and the data bank. A combination of all provided reasonable data as to the tangible assets still in service.

The assets were grouped together using the National Association of Regulatory Utility Commissioners (NARUC) guidelines. The following accounts were used:

- Account 353 – Land and Land Rights
- Account 354 – Structures & Improvements
- Account 355 – Power Generation Equipment
- Account 360 – Collection Sewers
- Account 361 – Gravity Mains
- Account 364 – Flow Metering Devices
- Account 371 – Pumping Equipment
- Account 380 – Treatment & Disposal Equipment
- Account 390 – Office Furniture and Equipment
- Account 391 – Transportation Equipment
- Account 394 – Laboratory Equipment
- Account 396 – Communication Equipment
- Account 398 – Other Tangible Plant

Attached to the document are spreadsheets detailing the assets, the year they were put in service, and their respective NARUC account.

ASSET INVENTORY

**The Municipal Authority of the City of McKeesport
Inventory of Assets**

353	Land & Land Rights - 28th Avenue PS 28th Ave & Walnut St.	Acres - .2	Block/Lot # 464-E-157
353	Land & Land Rights - Cliff Street PS 1915 Cliff Street	Acres - .2	Block/Lot # 380-B-141
353	Land & Land Rights - Dravosburg STP 160 Washington Ave	Acres - 1.2	Block/Lot # 309-M-160
353	Land & Land Rights - Duquesne STP North 1st Street	Acres - 2.8	Block/Lot # 309-M-395
353	Land & Land Rights - Long Run PS 3706 Walnut Street	Acres - .3	Block/Lot # 463-R-325
353	Land & Land Rights - Long Run PS 3728 Walnut Street	Acres - .1	Block/Lot # 555-C-203
353	Land & Land Rights - McKeesport Office Bldg 2800 Walnut St.	Acres - 1.2	Block/Lot # 464-E-210
353	Land & Land Rights - McKeesport Office Bldg 2800 Walnut St.	Acres - .3	Block/Lot # 464-E-180
353	Land & Land Rights - McKeesport STP 100 Atlantic Ave	Acres - 8.6	Block/Lot # 308-G-109
353	Land & Land Rights - McKeesport STP 100 Atlantic Ave	Acres - 3.1	Block/Lot # 308-G-132
353	Land & Land Rights - McKeesport STP 100 Atlantic Ave	Acres - .2	Block/Lot # 308-G-145
353	Land & Land Rights - Ripple Road PS Ripple Road	Acres - .3	Block/Lot # 463-S-010
354.3	28th Avenue Pump Station	Subbasement	1960
354.3	28th Avenue Pump Station	Subbasement	2015
354.3	28th Avenue Pump Station	Throughout	1960
354.3	28th Avenue Pump Station	Electrical Room	1960
354.3	28th Avenue Pump Station	Electrical Room	2015
354.3	28th Avenue Pump Station	Throughout First Floor	1960

354.3	Bettis Road Pump Station	Lift Station	2006
354.3	Cliff Street Pump Station	Wet Well	1960
354.3	Cliff Street Pump Station	Wet Well - Refurbished	2015
354.3	Cliff Street Pump Station	Pump Room	1960
354.3	Cliff Street Pump Station	Pump Room - Refurbished	2015
354.3	Cliff Street Pump Station	Throughout	1960
354.3	Cliff Street Pump Station	First Floor	1960
354.3	Cliff Street Pump Station	First Floor - Refurbished	2015
354.3	Dravosburg Sewage Plant	Pump Room - Basement	1965
354.3	Dravosburg Sewage Plant	Pump Room - Subbasement	1965
354.3	Long Run Pump Station	Pump Pit - Refurbished	2015
354.3	Long Run Pump Station	Basement - Refurbished	2015
354.3	Long Run Pump Station	First Floor - Refurbished	2015
354.3	Long Run Pump Station	Pump Pit	1960
354.3	Long Run Pump Station	Basement	1960
354.3	Long Run Pump Station	Throughout Bar Screen	1960
354.3	Long Run Pump Station	First Floor	1960
354.3	Long Run Pump Station	Generator Building	1968
354.3	Long Run/Elizabeth Valve Vault	Valve Vault - Item Process Piping	2013
354.3	MACM Sewage Treatment Plant - Pump Station	Wet Well	1960
354.3	MACM Sewage Treatment Plant - Pump Station	Wet Well - Refurbished	2015
354.3	MACM Sewage Treatment Plant - Pump Station	Pump Room	1960
354.3	MACM Sewage Treatment Plant - Pump Station	Pump Room - Refurbished	2015
354.3	MACM Sewage Treatment Plant - Pump Station	Throughout	1960
354.3	MACM Sewage Treatment Plant - Pump Station	Hoist Room	1960
354.3	MACM Sewage Treatment Plant - Pump Station	Hoist Room - Refurbished	2015
354.3	MACM Sewage Treatment Plant - Pump Station	Control Room	1960
354.3	MACM Sewage Treatment Plant - Pump Station	Control Room - Refurbished	2015
354.3	MACM Sewage Treatment Plant - Secondary Pump Station	Basement	1975
354.3	MACM Sewage Treatment Plant - Secondary Pump Station	Throughout	1975
354.3	MACM Sewage Treatment Plant - Secondary Pump Station	First Floor	1975
354.3	Perry Street Pump Station	Pump Station	1960
354.3	RIDC Park Pump Station #1	RIDC 1	1970
354.3	RIDC Park Pump Station #2	RIDC 2	1995
354.3	RIDC Park Pump Station #2	Generator Building	1995

354.3	Ripple Road Pump Station	Pump Station	2015
354.3	Ripple Road Pump Station	Controls	2015
354.3	Ripple Road Pump Station - Control Building	Throughout Building	2015
354.3	West Shore Pump Station	Wet Well	2015
354.3	West Shore Pump Station	Pump Station	2015
354.3	West Shore Pump Station	Pump Room	2015
354.3	West Shore Pump Station	Throughout	2015
354.3	West Shore Pump Station	Valve Vault	2015
354.4	Dravosburg Sewage Plant	Blower Room	1965
354.4	Dravosburg Sewage Plant	Chlorine Room	1965
354.4	Dravosburg Sewage Plant	Garage	1965
354.4	Dravosburg Sewage Plant	Lab	1965
354.4	Dravosburg Sewage Plant	Chlorine Contact Tank	1965
354.4	Dravosburg Sewage Plant	Grit Chamber	1965
354.4	Duquesne Sewage Plant	Plant - Basement	1963
354.4	Duquesne Sewage Plant	Throughout	1963
354.4	Duquesne Sewage Plant	Office	1963
354.4	Duquesne Sewage Plant	Lab	1963
354.4	Duquesne Sewage Plant	Belt Press Room	1963
354.4	Duquesne Sewage Plant	Blower Room	1963
354.4	Duquesne Sewage Plant	Chlorine Room	1963
354.4	Duquesne Sewage Plant	Electric Room	1963
354.4	Duquesne Sewage Plant	Lab	1963
354.4	Duquesne Sewage Plant	Locker Room	1963
354.4	Duquesne Sewage Plant	Parts Room	1963
354.4	Duquesne Sewage Plant	Storage Room	1963
354.4	Duquesne Sewage Plant	Plant - First Floor	1963
354.4	Duquesne Sewage Plant	Parshall Flume	1963
354.4	Duquesne Sewage Plant	Effluent Split	1963
354.4	Duquesne Sewage Plant	Chlorine Contact Tank	1963
354.4	MACM Office and Maintenance Building	Locker Room	1926
354.4	MACM Office and Maintenance Building	Garage	1926
354.4	MACM Office and Maintenance Building	Office Area	1926
354.4	MACM Office and Maintenance Building	Office	1926
354.4	MACM Office and Maintenance Building	Garage	2012

354.4	MACM Sewage Treatment Plant	Gas Meter House	1960
354.4	MACM Sewage Treatment Plant	Garage/Shop	1960
354.4	MACM Sewage Treatment Plant	Garage/Shop - Refurbished	1975
354.4	MACM Sewage Treatment Plant	Garage/Shop - Refurbished	2001
354.4	MACM Sewage Treatment Plant	Headworks Building	2015
354.4	MACM Sewage Treatment Plant	Process Air Building	2015
354.4	MACM Sewage Treatment Plant	Chlorine	2015
354.4	MACM Sewage Treatment Plant	Digester Air	2015
354.4	MACM Sewage Treatment Plant	UV Structure	2015
354.4	MACM Sewage Treatment Plant	Storage Shed	1990
354.4	MACM Sewage Treatment Plant	Influent Chamber	1960
354.4	MACM Sewage Treatment Plant	Final Clarifier #1 - Clarifier size 115" Dia w/ collector arm speed reduction driven by 3/4 Hp Tefc Motor, Center Collection Well, 1- Outer ring fiberglass cover - Westech	2008
354.4	MACM Sewage Treatment Plant	Final Clarifier #2 - Clarifier size 115" Dia w/ collector arm speed reduction driven by 3/4 Hp Tefc Motor, Center Collection Well, 1- Outer ring fiberglass cover - Westech	2008
354.4	MACM Sewage Treatment Plant	Chlorine Contact Tank - Flowmeter Usonic-R Digital Readout - Drexelbroo	1975
354.4	MACM Sewage Treatment Plant	Vactor Receiving Station	1990
354.4	MACM Sewage Treatment Plant	Valve Vault	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Lunchroom	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Lunchroom - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Lunchroom - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Conference Room	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Conference Room - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Conference Room - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	File Room 1	1960
354.4	MACM Sewage Treatment Plant - Admin Building	File Room 1 - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	File Room 1 - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	File Room 2	1960
354.4	MACM Sewage Treatment Plant - Admin Building	File Room 2 - Refurbished	1975

354.4	MACM Sewage Treatment Plant - Admin Building	File Room 2 - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Hall	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Hall - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Hall - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Superintendent	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Superintendent - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Superintendent - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Business Office	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Business Office - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Business Office - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Human Resources	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Human Resources - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Human Resources - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Spare Office	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Spare Office - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Spare Office - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Controller	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Controller - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Controller - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Multipurpose Room	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Multipurpose Room - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Multipurpose Room - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Admin Building	Furnace Room	1960
354.4	MACM Sewage Treatment Plant - Admin Building	Furnace Room - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Admin Building	Furnace Room - Refurbished	2015
354.4	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Pipe Tunnel - Pump Double Disc Duplex Type Vertical Belt Driven by 10HP -02C83A	1975
354.4	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Basins 1, 2, 5, and 6	1975
354.4	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Digester Tank 1 10835D 52x52 w/4-6" pvc headers 52' long w.24-flex air 84P Magnum diffusers 1- Submersible Type Mixed Model 4670 Hoist - MFG-Environmen	1975

354.4	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Digester Tank 2 10835D 52x52 w/4-6" pvc headers 52' long w.24-flex air 84P Magnum Diffusers 1- Submersible Type Mixed Model 4670 Hoist - MFG-Environmen	1975
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 3 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	1960
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 3 - Refurbished- Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 4 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	1960
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 4 - Refurbished - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 5 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	1960

354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 5 - Refurbished - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 6 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	1960
354.4	MACM Sewage Treatment Plant - Aerobic Digester	Number 6 - Refurbished - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
354.4	MACM Sewage Treatment Plant - Control Building	Basement	1960
354.4	MACM Sewage Treatment Plant - Control Building	Basement - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Basement - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Throughout	1960
354.4	MACM Sewage Treatment Plant - Control Building	SCADA	1960
354.4	MACM Sewage Treatment Plant - Control Building	SCADA - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	SCADA - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Filter Press	1960
354.4	MACM Sewage Treatment Plant - Control Building	Filter Press - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Filter Press - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Shop	1960
354.4	MACM Sewage Treatment Plant - Control Building	Shop - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Shop - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Hall	1960
354.4	MACM Sewage Treatment Plant - Control Building	Hall - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Hall - Refurbished	2015

354.4	MACM Sewage Treatment Plant - Control Building	Garage	1960
354.4	MACM Sewage Treatment Plant - Control Building	Garage - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Garage - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Locker	1960
354.4	MACM Sewage Treatment Plant - Control Building	Locker - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Locker - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Lab	1960
354.4	MACM Sewage Treatment Plant - Control Building	Lab - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Lab - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Control Building	Second Floor	1960
354.4	MACM Sewage Treatment Plant - Control Building	Second Floor - Refurbished	1975
354.4	MACM Sewage Treatment Plant - Control Building	Second Floor - Refurbished	2015
354.4	MACM Sewage Treatment Plant - Digester Decant Box	Digester Decant Box #1	2015
354.4	MACM Sewage Treatment Plant - Digester Decant Box	Digester Decant Box #2	2015
355	Duquesne Generators - Duquesne STP	Detroit - Emergency 265Kw 331 KVA, STL Skid Mounted w/ 275 GAL Welded STL Tank	2010
355	MACM Generators - 28th Street Pump Station	Cummins 300KW Driven by Diesel Engine 1 Tramont STL Fuel Tank 1- Transfer Switch DQHB-1203421	2015
355	MACM Generators - Long Run Pump Station	Cummins - 750Kw 937.5 KVA Driven by 6 Cylinder Diesel Engine 1,000 GAL Fuel Tank Eaton Transfer Switch	2015
355	MACM Generators - Perry Street Pump Station	Cummins 20KW 4 Cylinder Natural Gas Fired Transfer Switch, Wiring & Controls Model# GBDB-5668647	2004
355	MACM Generators - RIDC #1 Pump Station	Onan - 35Kw Driven by 6 Cylinder Liquid Propane w/ 1-Transfer Switch	1991
355	MACM Generators - RIDC #2 Pump Station	Generac - 20Kw Driven by 4 Cylinder Liquid Propane w/ 1-Transfer Switch	2002
355	MACM Generators - Ripple Road Pump Station	Cummins - 300Kw Driven by Diesel Engine 1-Tramont STL Fuel Tank 1-Transfer Switch	2015
355	MACM Generators - West Shore Pump Station	Cummins - 1000Kw 3 Phase Driven by 6 Cylinder Diesel Engine 1050 GAL Fuel Tank	2012

360	Collection Sewers (8") - Attached	McKeesport	
360	Collection Sewers (8") - Attached	Duquesne	
360	Collection Sewers (8") - Attached	Dravosburg	
360	Collection Sewers (8") - Attached	Port Vue	
361	Gravity Mains (Above 8") - Attached	McKeesport	
361	Gravity Mains (Above 8") - Attached	Duquesne	
361	Gravity Mains (Above 8") - Attached	Dravosburg	
361	Gravity Mains (Above 8") - Attached	Port Vue	
364	Flow Metering Devices - Attached	McKeesport	
364	Flow Metering Devices - Attached	Duquesne	
364	Flow Metering Devices - Attached	Dravosburg	
364	Flow Metering Devices - Attached	Port Vue	
371	28th Avenue Pump Station	Bar Screen Manual SS 5X6	2015
371	28th Avenue Pump Station	Bank of 3 Centrifugal Pumps 8518-4B, S.O. #7517-901205, 2760 GPM, 99.4 Head Ft Vertical Shaft 150 Ho 1190 RPM Motor	2015
371	28th Avenue Pump Station	Flowmeter Size 20" Digital Readout MFG Krohne	2015
371	28th Avenue Pump Station	Process Piping	2015
371	28th Avenue Pump Station	Power Feed Mains	2015
371	28th Avenue Pump Station	Hoist Wire Rope 2 Ton Capacity Ceiling Mounted	2015
371	28th Avenue Pump Station	Hoist Wire Rope 1/2 Ton Capacity Ceiling Mounted	2015
371	28th Avenue Pump Station	Panel SCADA STL 5X5X1X6 Panelview Control MFG-LANCO	2015
371	28th Avenue Pump Station	Lot Misc Equipment	2015
371	Bettis Road Pump Station	Duplex Sewage Station 2-Submersible Sewage Pumps 6X6 10 HP Motor ITT FLYGT 1-Master Control Panel STL 30X12X36 1-Auto Dialer, Lifting Rails, Wiring & Controls, Piping & Connections	2006
371	Cliff Street Pump Station	Bar Screen SS 5X6	2012

371	Cliff Street Pump Station	Flowmeter Size 20" Digital Readout MFG Krohne	2015
371	Cliff Street Pump Station	Bank of 3 Centrifugal Pumps Size 1, 2576 GPM, 71.2 HD FT, Vertical Shaft Driven by 100 HP 1188 RPM Motor, Wiring & Controls, Piping and Connections Serial # 7517001205 MFG - YOEMANS MOD# 8515/4A	2015
371	Cliff Street Pump Station	Process Piping	2015
371	Cliff Street Pump Station	Power Feed Mains	2015
371	Cliff Street Pump Station	Hoist Wire Rope 2 Ton Capacity Ceiling Mounted MFG-YALE	2015
371	Cliff Street Pump Station	Hoist Wire Rope 1/2 Ton Capacity Ceiling Mounted MFG-YALE	2015
371	Cliff Street Pump Station	Panel SCADA 5X5X1X6 Panelview Control MFG-LANCO	2015
371	Long Run Pump Station	Bank of 3 Wilo Submersible Pumps Model No FA20.78D 270HP 1788 RMP Rail Mounted Wiring&Controls Piping & Connections	2015
371	Long Run Pump Station	Monorail 30' Long I-Beam Rail 4 Ton Capacity Wire Rope Hoist with Power Trolley & I Beam Supports	2015
371	Long Run Pump Station	Gauge Rain No 674	2015
371	Long Run Pump Station	Flowmeter Size 20" Digital Readout MFG Krohne	2015
371	Long Run Pump Station	Bar Screen travelling SS 2X40 Speed Reduction Driven Project 2292 w/ DX washer compactor serial 109-1112-w2292-3, Control Panel SS Project 2292 with wiring	2012
371	Long Run Pump Station	Process Piping	2015
371	Long Run Pump Station	Monorail 8" I Beam Rail 20' Long, Yale 1 Ton Capacity Wire Rope Hoise, Manual Trolley	2015
371	MACM Pump Station	2-Transmitter Signal	2005

371	MACM Pump Station	Bank of 4 Yeomans Centrifugal Pumps 12422-5 5675 GPM 90.6 HD.FT Vertical Shaft Driven Baldor 200HO 855 RPM Motor 7517001208	2015
371	MACM Pump Station	Process Piping	2015
371	MACM Pump Station	Power Feed Mains	2015
371	MACM Pump Station	Hoist Wire Rope 3 Ton Capacity Ceiling Mounted MFG-YALE	2015
371	MACM Pump Station	Readout Flowmeter Explosion Proof Type GK-4064D MFG-KROHNE	2015
371	MACM Pump Station	Bar Screen SS 6x10	2015
371	MACM Secondary Pump Station	Pump Bearing Cooling System 1-STL Tank 2' DIAx3 1/2' HI 2-Centrifugal Pumps 1HP motor 1 1/2x1 1/2 wiring & controls	1985
371	MACM Secondary Pump Station	Panel Pump Control	2015
371	MACM Secondary Pump Station	Pump Centrifugal 3HD97142 10 7/16" Diameter impeller 1750 RPM, Rated 500 GPM 100' TDH Coupled Drive by 25HP 1760 RPM 230/460 Volt 3 Phase 60 Cycle 70/35AMP Pacemaker Motor Conduit & Wiring 2677326-1/2678601	1975
371	MACM Secondary Pump Station	Pump Centrifugal 3HD97142 10 7/16" Diameter impeller 1750 RPM, Rated 500 GPM 100' TDH Coupled Drive by 25HP 1760 RPM 230/460 Volt 3 Phase 60 Cycle 70/35AMP Pacemaker Motor Conduit & Wiring 2677326-1/2678608	1975
371	MACM Secondary Pump Station	Pump Centrifugal XH602707 12 7/8" Diameter Impeller 1750 RPM Rate 550 GPM 168' TDH Couple Drive by Louis-Allis 50 Hp 1775 RPM 230/460Volt 3 Phase 60 Cycle 126/63AMP Pacemaker Motor Conduit & Wiring	1975

371	MACM Secondary Pump Station	Pump Centrifugal 12x22 4000 GPM 26' Head 700 RPM Coupled Drive by GE 40 HP 720 RPM 230/460 V 3 Phase 60 Cycle Induction 74-13516-3	1975
371	MACM Secondary Pump Station	Pump Centrifugal 12x22 4000 GPM 26' Head 700 RPM Coupled Drive by GE 40 HP 720 RPM 230/460 V 3 Phase 60 Cycle Induction 74-13516-2	1975
371	MACM Secondary Pump Station	Pump Centrifugal 12x22 4000 GPM 26' Head 700 RPM Coupled Drive by GE 40 HP 720 RPM 230/460 V 3 Phase 60 Cycle Induction 74-13516-1	1975
371	MACM Secondary Pump Station	Pump Centrifugal 4x12 Type 611 SF 30 GPM 38' Head 1150 RPM coupled drive by US Electrical 10HP Vari-Drive MotorType VEU-TF 230/460 V 74-6589-2	1975
371	MACM Secondary Pump Station	Pump Centrifugal 4x12 Type 611 SF 30 GPM 38' Head 1150 RPM coupled drive by US Electrical 10HP Vari-Drive MotorType VEU-TF 230/460 V 74-6589-1	1975
371	MACM Secondary Pump Station	Panel Control	1975
371	MACM Secondary Pump Station	Process Piping	1975
371	MACM Secondary Pump Station	Power Feed Mains	1975

371	MACM Secondary Pump Station	Blower Centrifugal GS25375A 4000 ICFM Air to discharge, pressure 8.0 PSIG at elevated 740 Degrees and 100 degrees F. Air temperature, coupled drive by GE 200HP 3560 RPM 460 V 3 Phase 30 Cycle 230 Amp induction motor air intake roof mounted filter bif 14" sure sealed butterfly valve actuator piping & fittings 107437 MOD#38506B	1975
371	MACM Secondary Pump Station	Blower Centrifugal GS25375A 4000 ICFM Air to discharge, pressure 8.0 PSIG at elevated 740 Degrees and 100 degrees F. Air temperature, coupled drive by GE 200HP 3560 RPM 460 V 3 Phase 30 Cycle 230 Amp induction motor air intake roof mounted filter bif 14" sure seal rubber sealed butterfly valve actuator, piping & fittings conduit wiring and controls 107439 MOD#38506B	1975
371	MACM Secondary Pump Station	Blower Centrifugal GS25375B 1125 ICFM Air to discharge, pressure 2.25 PSIG at Elevated 740 Degrees and 100 Degrees F. Air Temperature, coupled drive by Louis-Allis 40 HP 3510 RPM 230/460V 3 Phase 60 Cycle 99/49 Amp Pacemaker Motor, Roof Mounted Air Intake Filter 8" Blast Gate, Piping & Fittings Conduit, Wiring & Controls 107441 MOD #38304B1	1975

371	MACM Secondary Pump Station	Blower Centrifugal GS25375B 1125 ICFM Air to dischard, pressure 2.25 PSIG at Elevated 740 Degrees and 100 Degrees F. Air Temperature, coupled drive by Louis-Allis 40 HP 3510 RPM 230/460V 3 Phase 60 Cycle 99/49 Amp Pacemaker Motor, Roof Mounted Air Intake Filter 8" Blast Gate, Piping & Fittings Conduit, Wiring & Controls 117440 MOD #38304B1	1975
371	MACM Secondary Pump Station	Hoist Chain Electric 2 Ton Capactiy Motorized Trolley, Floor Pendant Control 24' Lift, Wiring & Controls	1975
371	MACM Secondary Pump Station	5 - Manometer 30" Range 0-10 PSIG, Wall Mounted Conduit & Tubing MOD# 30EB25WM	1975
371	MACM Secondary Pump Station	2- Pump Submersible size 4X4 3HP Motor Flowmeter 4", wiring & controls piping & connections	1975
371	Perry Street Pump Station	Tank 4x3 1/2x5	2004
371	Perry Street Pump Station	Submersible Sewage Pumps Size 6" 5Hp Submersible Pumps, Wiring & Controls (2)	2004
371	Perry Street Pump Station	Flowmeter Size 6" Digital Readout Krohne	2004
371	Perry Street Pump Station	Generator Building	2004
371	RIDC #1 Pump Station	Bank of 2 Submersible Pumps - 6" 10Hp	1991
371	RIDC #1 Pump Station	Generator Building	1991
371	RIDC #1 Pump Station	Pump Control Panel - 2 Pump Cap 2- Allen Bradley Programmable Control	1991
371	RIDC #1 Pump Station	Generator - 35 KW 6 Cylinder Liquid Propane 1 Transfer Switch	2002
371	RIDC Park Pump Station #2	Bank of 2 Submersible Pumps - 5Hp Motor Size 4 1- Master Contol Panel E24866	2002
371	RIDC Park Pump Station #2	Process Piping	2002

371	Ripple Road Pump Station	Monorail - 1-10" I-Beam Rail 60' Long 1-Wire Rope Hoist	2015
371	Ripple Road Pump Station	Muffin Monster Shp Motor - 10830221	2015
371	Ripple Road Pump Station	Flowmeter - Size 12" Explosion Proof Krohne - GK42637	2015
371	Ripple Road Pump Station	Bank of 3 Submersible Pumps - Size 6" 79 Hp Rail Mounted Wilo - FA15772	2015
371	Ripple Road Pump Station	Camera Video Surveillance	2011
371	Ripple Road Pump Station	Process Piping	2011
371	West Shore Pump Station	Manual Bar Screen - SS 5x10	2015
371	West Shore Pump Station	Detector Gas Polytron (2) Drawger	2015
371	West Shore Pump Station	Bank of 4 Centrifugal Pumps - 7300GPM Vertical Shaft Driven by Baldor 200Hp 885RPM Wiring & Controls	2015
371	West Shore Pump Station	Process Piping	2012
371	West Shore Pump Station	Power Feed Mains	2012
371	West Shore Pump Station	Traveling Bar Screen 1- Screen Compactor 1- Screw Type Take Off Conveyor 1-Inclinded Rubber Belt	2015
371	West Shore Pump Station	Monorail 1- 8" I Beam Rail 20' Long 1-Yale Wire Rope Hoist 1-12" I Beam Rail 42' Long 1-Yale Wire Rope Hoist	2015
371	West Shore Pump Station	Panel SCADA w/ Panelview Control	2015
380	Dravosburg Sewage Plant - Blower Room	Misc Equipment	1980
380	Dravosburg Sewage Plant - Blower Room	Monitor, Multigas, Case MFG - Industrial MOD# TMX412	2006
380	Dravosburg Sewage Plant - Blower Room	Chlorine Scale 2 Cylinder Capacity Digital Readout 2 - Siemens Model W3T97930 MFG-Scaletron	2006
380	Dravosburg Sewage Plant - Blower Room	Chlorine Contact Tank Sampler Sampler Refridgerated all weather Enclosure MFG-SIGMA MOD#-SD900	2010

380	Duquesne Sewage Plant	Press Belt Filter 1.0M Belt Width J-Belt Model BFP 2000-1.0M-PN	1963
380	Duquesne Sewage Plant	2-Grundfos Type CR8-6B Wash Water Pumps, Size 2X2 5HP Motor	1963
380	Duquesne Sewage Plant	1-Incline Belt Conveyor Motor Driven 18" Widthx24 Linft	1963
380	Duquesne Sewage Plant	1-Master Control Panel SS 36X12X42 P.L.C. -ABB Panelview 500	1963
380	Duquesne Sewage Plant	1-Aluminum Work Platform, Piping & Controls & Connections JF0044	1963
380	Duquesne Sewage Plant	2- Clarifier 20' dia 15' depth 1HO Drive Motor	1963
380	Duquesne Sewage Plant	Bank of 2 Door-Oliver Densludge Thickeners 20' dia bottom mounted rake arm 5' dia x 6' high stl influent well permimeter mounted stl plate weir driven by 1/3 HO 1725 RPM Motor 12" reinforced concrete bridge 25x3 stl pipe railings master control panel, wiring and controls.	1963
380	Duquesne Sewage Plant	Bubble Diffuser System 4- Size 20x25 Treatment Tanks Fine Bubble Diffusers 4- Size 20x25 Digester Tanks, Coarse Bubble Diffusers	1963
380	Duquesne Sewage Plant	Bar Screen Inclined 84 Degree Heavy Duty Project No 20891-01 Chain Driven SS 36' Width x 12 1/2' 7.6 MGD CAP at 1- 10' Depth, Master Control Panel	1963
380	Duquesne Sewage Plant	Bar Screen Bypass 1 1/2x3/8" Bars 2" on Center, Aluminum 42"Widex 54"	1963

380	Duquesne Sewage Plant	Grit Removal System US Filter Air Lift Grit Washer Model SW 12" DIAx 12' Long Project 2089-1-301 Driven by 1HP 1800 RPM Motor 58 GPM Flow 1- Simplex swingfusers type B-1 Aerators, 9 Diffusers, 2- air lift grit pumps 3" dia 1 - Master Control Panel 2x1x2	1963
380	Duquesne Sewage Plant - Belt Press Room	Belt Press Filter	1963
380	Duquesne Sewage Plant - Belt Press Room	Polymer Feed System	1963
380	Duquesne Sewage Plant - Blower Room	Centrifugal Blower 100 HP Motor STL Skid Mounted Wiring & Controls Piping & Connections M116460 Hoffman 73207A6	1963
380	Duquesne Sewage Plant - Blower Room	Centrifugal Blower 100 HP Motor STL Skid Mounted Wiring & Controls Piping & Connections M116470 Hoffman 73207A6	1963
380	Duquesne Sewage Plant - Blower Room	Centrifugal Blower 100 HP Motor STL Skid Mounted Wiring & Controls Piping & Connections M116450 Hoffman 73207A6	1963
380	Duquesne Sewage Plant - Chlorine Contact Tank	Chlorination Controller MFG Stantrol MOD 890	1963
380	Duquesne Sewage Plant - Chlorine Contact Tank	Monitor Level Ultrasonic Datum UI1500	1963
380	Duquesne Sewage Plant - Chlorine Contact Tank	Refrigerated Sampler MFG-ISCO Model 3700FR	1963
380	Duquesne Sewage Plant - Chlorine Contact Tank	Lot Process Piping	1963
380	Duquesne Sewage Plant - Chlorine Room	Scale Chlorine Platform Type 4,000# Capacity Chlor-Scale w/ Century 12D40A Wall Mounted Gauge	1963
380	Duquesne Sewage Plant - Parshall Flume	Monitor Level Ultrasonic Datum UT1500 MFG-ABB	1963
380	MACM Sewage Treatment Plant	Sludge Concentrate Tank	1960

380	MACM Sewage Treatment Plant	SBR Tank - Dual Mode Batch Reactors 4 Pre react zones 24 2/3' X80' Long w/ 6 Air Distributors 4-Basins 80x134 18- Air distributors by grid, 8 - Flygt Sub Type Mixers 4670 SS w/ 20 Hp Motor 4 - Flygt Sub type Mixers 3 1/8" 3 HP Motor 8- Hatch Model SC1000 PH Meters 1 - Thern Portable Jib Crane ss 1 Ton, Wiring & Controls	2015
380	MACM Sewage Treatment Plant	Chlorine Contact Tank	2011
380	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Recorder Chart 12" DIA 2 Pen w/ dissolve oxygen meter MFG-Chessell	2003
380	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Flowmeter Size 8" Digital Readout	2003
380	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Basins 1, 2, 5, and 6 Fine Bubble aeration system for tanks w/ feed pipe manifold system & diffusers	1999
380	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Digester Tank 1 10835D 52x52 w/4-6" pvc headers 52' long w.24-flex air 84P Magnum diffusers 1- Submersible type mixed model 4670 Hoist - MFG-Environmen	2007
380	MACM Sewage Treatment Plant Aerobic Basin/Digester Tank	Digester Tank 2 10835D 52x52 w/4-6" pvc headers 52' long w.24-flex air 84P Magnum diffusers 1- Submersible type mixed model 4670 Hoist - MFG-Environmen	2007
380	MACM Sewage Treatment Plant - Aerobic Digester	Number 4 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015

380	MACM Sewage Treatment Plant - Aerobic Digester	Number 5 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
380	MACM Sewage Treatment Plant - Aerobic Digester	Number 6 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
380	MACM Sewage Treatment Plant - Aerobic Digester	Number 3 - Coarse Bubble Aeration System Project 16901 Tank Size 29x155' Long 3-6" SS Couplings 3-6" X4 Schedule 40 PVC Schedule 40 Air Header 29' Long SS Ridged Pipe Supports 56-Max Air duplex diffuser assembly - Environmen	2015
380	MACM Sewage Treatment Plant - Chlorine Building	Scale Chlorine Cyliner - 2-Cylinder Cradles 1- Wizard 4000 Digital Readout - Force Flow	2015
380	MACM Sewage Treatment Plant - Chlorine Building	12" I Beam Rail - 45" Long 1-Wire base hoise 2 ton Cap w/ Power Trolley	2015
380	MACM Sewage Treatment Plant - Chlorine Building	Misc Machinery C/O Chlorinator, Signal Transmitters, Gas Detector, Chlorine Analyzer	2015
380	MACM Sewage Treatment Plant - Chlorine Building	Chlorination System C/O 1-Wallace & Tiernan Model SFCSC Controller, Piping & Connections	2015
380	MACM Sewage Treatment Plant - Chlorine Building	Breathing Apparatus - Self Contained	2015
380	MACM Sewage Treatment Plant - Chlorine Building	Power Feed Mains	2015
380	MACM Sewage Treatment Plant - Control Building	Muffin Monster Model 3000411T-1204 w/wiring and controls, piping & connections	2015
380	MACM Sewage Treatment Plant - Control Building	Air Compressor - Vertical Belt Driven 3Hp, Vertical tank mounted. Wiring & Controls	2015

380	MACM Sewage Treatment Plant - Control Building	Air Compressor - Vertical Belt Driven 15Hp, Vertical tank mounted. Wiring & Controls	2000
380	MACM Sewage Treatment Plant - Control Building	Air Compressor - Vertical Belt Driven 15Hp Horizontal Tank Mounted w/ wiring & Controls	1960
380	MACM Sewage Treatment Plant - Control Building	Air Compressor - Vertical Belt Driven 2Hp Horizontal Tank Mounted w/ wiring & Controls	1960
380	MACM Sewage Treatment Plant - Control Building	SCADA System 1 - CPU Cabinet STL 2x4x7 Controls & Power Supply 4- Allen Bradley 750R Servers 4-UPS 2-CPU Monitors 1-LG 55" Plant Monitor 11- Color Surveillance Cameras 1- DVR	2015
380	MACM Sewage Treatment Plant - Control Building	Tower Belt Filter Press - Type 2253SH Size 2.2 Meter Width #244 Year 2000 Serpentix Pathwinder w/Takeoff conveyor	2015
380	MACM Sewage Treatment Plant - Control Building	Press Rotary Sludge 6 Station 13-4044, Speed Reduction Driven by 20 Hp 1450 RPM Motor 1-Base Mounted Screw Conveyor 1-Raised Work Platform 1-3" Flowmeter	2015
380	MACM Sewage Treatment Plant - Digester Air Building	4- Blower Rotary Heliflow Model HYFLMBA CATNo. HF624 3300RPM Direct Driven By Baldor200Hp Motor w. 2 Silencers Gardner - S370893, S370894, S370891, S370892	2015
380	MACM Sewage Treatment Plant - Final Clarifier Tank 1	Final Clarifier #1 - Clarifier size 115" Dia w/ collector arm speed reduction driven by 3/4 Hp Tefc Motor, Center Collection Well, 1- Outer ring fibrgls cover - westech	2008

380	MACM Sewage Treatment Plant - Final Clarifier Tank 2	Final Clarifier #2 - Clarifier size 115" Dia w/ collector arm speed reduction driven by 3/4 Hp Tefc Motor, Center Collection Well, 1- Outer ring fibrgls cover - westech	2008
380	MACM Sewage Treatment Plant - Headworks	Grit Collection System - 2- Duperon Mechanical Bar Screens 1- Serpintix Pathwinder Type P2 1- SS Manual Bar Screen 1-Pista Turbo Grit Chamber 1- Pista Turbo Grit Washer	2015
380	MACM Sewage Treatment Plant - Headworks	Flowmeter (3) - Open Channel	2015
380	MACM Sewage Treatment Plant - Process Air Building	Blower Rotary (6) - Model HYFLMBA Vertical Belt Driven 125 Hp S366440, S366444, S366441, S366443, S366442 S343340	2015
380	MACM Sewage Treatment Plant - Secondary Pump Station	Blower Centrifugal (5) Blower Centrifugal GS25375A 4000 ICFM Air to discharge, pressure 8.0 PSIG at elevated 740 Degrees and 100 degrees F. Air temperature, coupled drive by GE 200HP 3560 RPM 460 V 3 Phase 30 Cycle 230 Amp induction motor air intake roof mounted filter bif 14" sure sealed butterfly valve actuator piping & fittings	1975
380	MACM Sewage Treatment Plant - UV Treatment Chamber	UV System Aquaray - 9- Aquaray 3X VLS High Output Modules 3 per channel 9- UV intensity sensors 12 - Mounting Rails 27 - Power interconnect cables 18 - Data Interconnect cables 3- Power supply units 1- Automatic Cleaning System 1 - Cable Tray 1 - Flowmeter 1 - Emergency Shower	2015
390	Office Furn & Equip - Admin Bldg	EDP Equipment	2015
390	Office Furn & Equip - Admin Bldg - Business Office	Misc Furniture & Equipment	2015

390	Office Furn & Equip - Admin Bldg - Conference	Furniture	2015
390	Office Furn & Equip - Admin Bldg - Controller	Misc Furniture & Equipment	2015
390	Office Furn & Equip - Admin Bldg - Controller	Misc EDP Equipment	2015
390	Office Furn & Equip - Admin Bldg - File Room 1	Misc Equipment	1998
390	Office Furn & Equip - Admin Bldg - File Room 1	Copier Blueprint	2010
390	Office Furn & Equip - Admin Bldg - File Room 1	Copier Sharp	2013
390	Office Furn & Equip - Admin Bldg - File Room 2	Misc Files, Tables, Equipment	2000
390	Office Furn & Equip - Admin Bldg - File Room 2	Server Proliant	2013
390	Office Furn & Equip - Admin Bldg - Furnace Room	Minor Equipment	2015
390	Office Furn & Equip - Admin Bldg - Hall	Misc Chairs and Tables	1995
390	Office Furn & Equip - Admin Bldg - HR	Misc Furniture & Equipment	2015
390	Office Furn & Equip - Admin Bldg - HR	Misc Office Machines & Devices	2015
390	Office Furn & Equip - Admin Bldg - Lunch	Misc Appliances & Equipment	2015
390	Office Furn & Equip - Admin Bldg - Spare Office	Misc Furniture & Equipment	1985
390	Office Furn & Equip - Admin Bldg - Superintendent	Misc Furniture & Equipment	1998
390	Office Furn & Equip - Admin Bldg - Throughout	Telephone System	2004
390	Office Furn & Equip - Dravosburg STP - Blower Room	Misc Furniture & Equipment	1980
390	Office Furn & Equip - Dravosburg STP - Blower Room	Monitor Multigas Case	2006
390	Office Furn & Equip - Dravosburg STP - Garage	Misc Maint & General Equipment	1995
390	Office Furn & Equip - Dravosburg STP - Lab	Misc Furniture & Equipment	1980
390	Office Furn & Equip - Dravosburg STP - Lab	Misc EDP Equipment	2011
390	Office Furn & Equip - Duquesne STP - Belt Press Room	Misc General Equipment	2010
390	Office Furn & Equip - Duquesne STP - Electric Room	Misc Equipment	2010
390	Office Furn & Equip - Duquesne STP - Lab	Misc Furniture & Equipment	2010
390	Office Furn & Equip - Duquesne STP - Lab	Misc EDP Equipment	2010
390	Office Furn & Equip - Duquesne STP - Locker	Misc Furniture & Equipment	2010
390	Office Furn & Equip - Duquesne STP - Office	Misc Furniture & Equipment	2010
390	Office Furn & Equip - Duquesne STP - Parts Room	Misc Furniture & Equipment	2010
390	Office Furn & Equip - Duquesne STP - Plant	Misc Maint & General Equipment	2010
390	Office Furn & Equip - Duquesne STP - Storage Room	Misc Minor Equipment	2010
390	Office Furn & Equip - MACM STP - Control Bldg 2 Floor	Misc Equipment	1995
390	Office Furn & Equip - MACM STP - Control Bldg Garage	Misc Equipment	1995
390	Office Furn & Equip - MACM STP - Control Bldg Hall	Misc Equipment	2010
390	Office Furn & Equip - MACM STP - Control Bldg Locker	Misc Equipment	1990
390	Office Furn & Equip - MACM STP - Control Bldg Shop	Misc Equipment	1990

390	Office Furn & Equip - MACM STP - Control Building	Misc Furniture	2015
390	Office Furn & Equip - MACM STP - Garage	Misc Shop Tools and Equipment	1990
390	Office Furn & Equip - Office & Maint Bldg - Locker	Misc Lockers & Benches	2013
390	Office Furn & Equip - Office & Maint Bldg - Office	Misc Machines & Devices	2010
390	Office Furn & Equip - Office & Maint Bldg - Office	Misc EDP Equipment	2013
390	Office Furn & Equip - Office & Maint Bldg - Office	Telephone System	2010
390	Office Furn & Equip - Office & Maint Bldg - Office	Item EDP Equipment	2013
390	Office Furn & Equip - Office & Maint Bldg - Office	Minor Office Furniture & Equipment	2009
390	Office Furn & Equip- 28th Ave PS - Throughout	Misc Equipment	2015
390	Office Furn & Equip- Admin Bldg - Multi Purpose	Misc Furniture & Equipment	2015
390	Office Furn & Equip- MACM STP - Control Building	Minor Equipment	2010
390	Office Furn & Equip- Office & Maint Bldg - Office	Misc Furniture & Equipment	2009
391	Transportation Equipment	Ford Truck F350	2003
391	Transportation Equipment	Ford Truck F250	2004
391	Transportation Equipment	Ford Truck F750	2009
391	Transportation Equipment	Ford Truck F150	2009
391	Transportation Equipment	Ford Truck F350	2011
391	Transportation Equipment	Ford Truck F150	2011
391	Transportation Equipment	Ford Truck F750	2012
391	Transportation Equipment	Chevrolet 1500	2010
391	Transportation Equipment	Chevrolet Silverado	2011
391	Transportation Equipment	Chevrolet Silverado	2013
391	Transportation Equipment	Chevrolet Silverado	2014
391	Transportation Equipment	Chevrolet Tahoe	2012
391	Transportation Equipment	Chevrolet Van	2015
391	Transportation Equipment	Chevrolet Trailblazer	2008
391	Transportation Equipment	GMC Van 3500	2010
391	Transportation Equipment	Vactor Truck	2010
391	Transportation Equipment	Vactor Truck	2014
391	Transportation Equipment	Sprinter Truck	2007
391	Transportation Equipment	Caterpillar Backhoe	2011
391	Transportation Equipment	Caterpillar Backhoe	2012
391	Transportation Equipment	Chevrolet Silverado	2016
391	Transportation Equipment	Chevrolet Cutaway 3500	2015
391	Transportation Equipment	International Van	2010

SEWER SYSTEM PIPING

MACM Sewer System

McKeesport

Piping Size	Linear Feet	Service Date
8	47,086 ✓	1959
10	30,762 ✓	1959
12	62,339 ✓	1959
15	26,574 ✓	1959
16	2,557 ✓	1959
18	8,936 ✓	1959
20	979 ✓	1959
24	24,729 ✓	1959
30	11,733 ✓	1959
36	225 ✓	1959
Total	215,920	
8	92,567 ✓	1976
10	10,108 ✓	1976
12	22,833 ✓	1976
15	1,780 ✓	1976
16	9,864 ✓	1976
24	12,932 ✓	1976
30	3,944 ✓	1976
Total	154,028	
8	70,433 ✓	1989
10	17,064 ✓	1989
15	1,817 ✓	1989
24	10,245 ✓	1989
Total	99,559	
8	17,838 ✓	1999
10	4,403 ✓	1999
18	21,090 ✓	1999
Total	43,331	
8	213 ✓	2008
12	173 ✓	2008
15	66 ✓	2008
20	31 ✓	2008
21	758 ✓	2008
24	1,623 ✓	2008
36	382 ✓	2008
42	252 ✓	2008
48	462 ✓	2008
60	485 ✓	2008
72	219 ✓	2008
Total	4,664	
30	2,300 ✓	2009
36	16,000 ✓	2009
Total	18,300	
8	23,000 ✓	2010
24	865 ✓	2011
30	1,169 ✓	2011
54	238 ✓	2011
72	1,963 ✓	2011
Total	4,235	
Other		
Manholes	2,490 ✓	1911
Manholes	51 ✓	2008
Manholes	13 ✓	2011

MACM Sewer System

Duquesne

Piping Size	Linear Feet	Service Date
8	19,000 ✓	1959
10	8,314 ✓	1959
12	16,895 ✓	1959
15	7,200 ✓	1959
16	691 ✓	1959
18	2,415 ✓	1959
20	273 ✓	1959
24	7,356 ✓	1959
30	3,487 ✓	1959
36	164 ✓	1959
Total	65,795	
8	25,018 ✓	1976
10	2,732 ✓	1976
12	6,171 ✓	1976
15	481 ✓	1976
16	2,666 ✓	1976
24	3,495 ✓	1976
30	1,066 ✓	1976
Total	41,629	
8	19,036 ✓	1989
10	4,612 ✓	1989
15	491 ✓	1989
24	2,769 ✓	1989
Total	26,908	
8	4,821 ✓	1999
10	1,190 ✓	1999
18	5,700 ✓	1999
Total	11,711	
Other		
4.5' x3'	6,237 ✓	1963
Manholes	396 ✓	1963
Large Manholes	23 ✓	1963
Manholes	280 ✓	1976
Manholes	128 ✓	1989
Manholes	39 ✓	1999

MACM Sewer System

Dravosburg

Piping Size	Linear Feet	Service Date
6	1,100 ✓	1962
8	21,114 ✓	1962
10	7,957 ✓	1962
12	7,396 ✓	1962
15	320 ✓	1962
18	2,376 ✓	1962
20	360 ✓	1962
24	1,440 ✓	1962
60	428 ✓	1962
72	2,227 ✓	1962
Eggshape	613 ✓	1962
Total	45,331	
8	2,017 ✓	1980
8	1,446 ✓	1984
Other		
Manholes	269 ✓	1962

MACM Sewer System

Port Vue

Piping Size	Linear Feet	Service Date
6	1,898 ✓	1919,1928,1949,1960
8	72,309 ✓	1919,1928,1949,1960
10	14,232 ✓	1919,1928,1949,1960
12	6,985 ✓	1919,1928,1949,1960
15	8,661 ✓	1919,1928,1949,1960
18	1,317 ✓	1919,1928,1949,1960
21	3,944 ✓	1919,1928,1949,1960
24	1,650 ✓	1919,1928,1949,1960
27	661 ✓	1919,1928,1949,1960
Total	111,657	
Manholes	597	1919,1928,1949,1960

FLOW METERING DEVICES

MACM

Flow Metering Devices

Sewage Treatment Plant	Number	Service Date
McKeesport	27 ✓	2010 ✓
Duquesne	4 ✓	2011
Dravosburg	1 ✓	2010
Port Vue	4 ✓	2016 ✓

COLLECTION SEWERS - FORCE

MACM

Collection Sewers - Force

Sewage Treatment Plant	Linear Feet	Service Date
McKeesport	27,537 ✓	2015
Port Vue	150 ✓	
Air Release Manholes	16 ✓	2015

CSO STRUCTURES

MACM

CSO Structures

Sewage Treatment Plant	Number	Service Date
McKeesport	27* ✓	1960
Duquesne	4 ✓	1959
Dravosburg	1 ✓	1962
Port Vue	4 ✓	1960

* 16 were rebuilt in 2008

CSO STRUCTURES DETAIL

MACM Sewer System

CSO Structures Detail

CSO Number	Location	Size (LxW)	Pipe Size IN	Pipe Size OUT
003	Long Run	5 Diameter MH	30	18
004	Rebecca Street	12 x 11	36	36
005	Erie Street	17 x 11.5	15	15
006	Ann Street	17 x 11.5	24	24
007	Dale Street	17 x 11.5	24	24
008	Perry Street	17 x 11.5	18	18
009	Windsor Street	17 x 11.5	20	20
010	Morgan Alley	17 x 11.5	18	18
012	Fourth Ave	12 x 8	24	24
013	Fifth Ave	12 x 8	24	24
014	Sixth Ave	12 x 8	21	21
015	Seventh Ave	12 x 8	24	24
018	Ninth Ave	16 x 12	60	60
020	Eleventh Ave	12 x 8	24	24
021	Twelfth Ave	16 x 12	48	48
022	Thirteenth Ave	12 x 8	36	36
023	Twenty-Eighth Ave	21 x 16	60	60
024	Eden Park Ave	17 x 11.5	24	24
025	Walnut Street	18 x 13	36	36
026	Walnut Street	21 x 15	60x34	60x34
027	Huey Street	16x11	42	42
028	Martin Street	18 x 13	3.67 x 2.92	3.67 x 2.92
029	Center Street	12 x 11.5	15	15
030	Evans Street	15.5 x 14	72	72
031	White Street	12 x 11.5	18	18
032	Cliff Street	17 x 18	18	18
033	Cliff Street	20 x 14	24	24

**The City of McKeesport, Pennsylvania
And
The Municipal Authority of the City McKeesport**

**Appraisal Work Papers
As of September 2016**

**Asset Purchase Agreement
Between
The City of McKeesport, Pennsylvania
And
The Municipal Authority of the City of McKeesport
And
Pennsylvania American Water Company**

**AUS Consultants
Suite 201
8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
Office Telephone: 414-529-5755
J. Weinert's Cell: 414-698-8371
J. Weinert's E-Mail: weinertj@auswest.net**

Execution Copy

ASSET PURCHASE AGREEMENT

By and Among

THE CITY OF MCKEESPORT,

THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT

AS SELLER

and

PENNSYLVANIA AMERICAN WATER COMPANY

AS BUYER

Dated as of September ____, 2016

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), dated as of September ____, 2016 (the "Effective Date"), is made and entered into by and among the City of McKeesport, Allegheny County Pennsylvania (the "City"), a city of the third class under the Constitution and laws of the Commonwealth of Pennsylvania and the City's Home Rule Charter, The Municipal Authority of the City of McKeesport, a body corporate and politic, duly organized under the Pennsylvania Municipal Authorities Act (the "Seller"), and Pennsylvania American Water Company, a Pennsylvania corporation (the "Buyer").

WITNESSETH:

WHEREAS, the Seller, acting by and through the Authority Board, owns and operates a sanitary wastewater collection and treatment system (the "System") that provides sanitary wastewater service to various customers in the City and the City of Duquesne, Pennsylvania, Port Vue Borough, Pennsylvania and the Borough of Dravosburg, Pennsylvania and to the communities that are parties to the Municipal Service Agreements set forth on Schedule 4.15 (the "Service Area"); and

WHEREAS, Buyer is a regulated public utility that furnishes water and wastewater service to the public in various counties throughout Pennsylvania and has the financial strength, management experience and expertise to operate and maintain water and wastewater systems, including the System; and

WHEREAS, Buyer, in reliance upon the representations, warranties and covenants of the Seller and the City herein, desires to purchase and acquire from the Seller, and the Seller, in reliance upon the representations, warranties and covenants of Buyer herein, desires to sell, transfer and convey to Buyer all of the assets of the System (other than the Excluded Assets), and in connection therewith, Buyer has agreed to assume certain ongoing obligations and liabilities of the Seller related to such acquired assets, all on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties, covenants, and agreements herein contained, the receipt and sufficiency of which hereby are acknowledged, intending to be legally bound, the Parties hereto agree as follows:

ARTICLE I.

DEFINITIONS

In addition to the capitalized terms defined elsewhere in this Agreement, the following terms, as used in this Agreement (unless otherwise specified therein), shall have the meanings set forth in this Article I:

"**Acquired Assets**" has the meaning specified in Section 2.01.

"Affiliate" means, when used to indicate a relationship with a specified Person, means a Person that, directly or indirectly, through one or more intermediaries has a 10% or more voting or economic interest in such specified Person or controls, is controlled by or is under common control with (which shall include, with respect to a managed fund or trust, the right to direct or cause the direction of the management and policies of such managed fund or trust as manager, advisor, supervisor, sponsor or trustee pursuant to relevant contractual arrangements) such specified Person, and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise (and for purposes of this definition, a managed fund or trust shall be deemed to be an Affiliate of the Person managing, supervising, sponsoring or advising such fund or trust and a limited partner in a managed fund or trust shall be deemed to be an Affiliate of such fund or trust and of the Person managing, supervising, sponsoring or advising such fund or trust).

"Agreement" has the meaning ascribed thereto in the recitals to this Agreement (and includes all Schedules and Exhibits referred to herein), as amended, modified and supplemented from time to time in accordance with the terms hereof.

"Allocation Schedule" has the meaning specified in Section 3.04.

"Amended CBA" has the meaning specified in Section 7.03(h).

"Appropriate Use" means the repayment of debt, payment of regular payroll expenses, pension related expenses or for any payment of any outstanding payables of the City, provided, the terms shall specifically not include the payment of any fines, penalties or judgments nor for any bonuses.

"Assigned Contracts" has the meaning specified in Section 2.01(e).

"Assignment and Assumption Agreement" has the meaning specified in Section 13.02(c).

"Assumed Liabilities" has the meaning specified in Section 2.04(a).

"Authority Board" means the board of the Municipal Authority of the City of McKeesport.

"Authorizations and Permits" mean all licenses, permits, franchises, authorizations, certificates, registrations, consents, orders, adjudications, variances, waivers and approvals currently in effect issued or granted by Governmental Authorities, including without limitation, environmental permits, operating permits and approvals that are held by the Seller, including those described in Schedule 4.14.

"Business Day" means any day that is neither a Saturday, a Sunday nor a day observed as a holiday by either the Commonwealth of Pennsylvania or the United States government.

"Buyer" has the meaning specified in the Preamble of this Agreement.

"Buyer Fundamental Representations" has the meaning specified in Section 8.01.

"Buyer Indemnified Persons" has the meaning specified in Section 8.02.

"CERCLA" means the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq., as amended.

"City" has the meaning specified in the Preamble.

"Closing" means the consummation of the sale and purchase of the Acquired Assets and assumption of the Assumed Liabilities, the release/waiver of liabilities and the other transactions contemplated hereby, all in accordance with the terms and conditions of this Agreement and as provided for in Article XIII.

"Closing Date" has the meaning specified in Section 13.01.

"Closing Effective Time" has the meaning specified in Section 13.01.

"Closing Escrow Agreement" shall have the meaning set forth in Section 3.01.

"COBRA" means Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, including, without limitation, Sections 2201 through 2208 of the Public Health Service Act and Part 6 of Subtitle B of the Employee Retirement Income Security Act of 1974, as amended.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collective Bargaining Agreement" means the existing collective bargaining agreement between the Authority and the Union dated February 9, 2016 for the period beginning January 1, 2016 and ending December 31, 2016, as may be amended from time to time.

"Combined Sewer Overflow" or **"CSO"** means any discharge from the Seller's Combined Sewer System at a CSO Outfall in the Combined Sewer System from which combined sewage and stormwater are discharged and so designated in the currently applicable Seller NPDES Permits.

"Combined Sewer System" means the portion of the Seller's System designed to convey municipal sewage, wastewaters (domestic, commercial, and industrial) and stormwater runoff in the same system of pipes to a waste water treatment plant.

"Combined Sewer System Assets" means the assets of the System designed and constructed to collect and convey municipal sewage (i.e., domestic, commercial and industrial) and stormwater through a single pipe-system to a waste water treatment plant or CSO structures, including (i) wastewater collection pipes, pumping stations and other assets used for wastewater collection, (ii) stormwater drains, pipes, collection basins, pumping stations and all other stormwater drainage assets used for stormwater collection, and (iii) catch basins, inlets, pipes and all other stormwater lateral facilities, in each case that connect wastewater and surface stormwater drains to the combined sewer mains that discharge to the waste water treatment plant

or combined sewer overflow structures, but excluding the Municipal Separate Stormwater System.

"Confidential Information" means any information about Buyer, Seller or the System related to the transactions contemplated by this Agreement; provided, however, that such term does not include information which the receiving Party can demonstrate (a) is generally available to or known by the public other than as a result of improper disclosure by the receiving Party, (b) is obtained by the receiving Party from a source other than the disclosing Party, provided that such source was not bound by a duty of confidentiality to the disclosing Party with respect to such information, or (c) is legally in the public domain.

"CSO Outfall" means an outfall in the Combined Sewer System from which combined sewage and stormwater are discharged and so designated in the currently applicable Seller NPDES Permit.

"Easements" means all easements, rights of way, licenses, use agreements, occupancy agreements, leases and other agreements and appurtenances for and over the real property of third parties.

"Effective Date" has the meaning specified in the Preamble.

"Environment" means soil, surface waters, ground waters, land, stream sediments, flora, fauna, surface or subsurface strata and ambient air.

"Environmental Claims" means all notices of investigations, warnings, notice letters, notices of violations, Liens, orders, claims, demands, suits or administrative or judicial actions for any injunctive relief, fines, penalties, third party claims, or other claims asserting violations of Environmental Requirements or responsibility for Environmental Liabilities.

"Environmental Conditions" means the Release of Hazardous Materials or the presence of Hazardous Materials on, in, under or within any property (including the presence in the Environment), other than the presence of Hazardous Materials in locations and at concentrations that are naturally occurring.

"Environmental Liabilities" means any legal obligation or liability arising under Environmental Requirements or related to or arising out of any Environmental Condition, including those consisting of or relating to any (a) duty imposed by, breach of or noncompliance with any Environmental Requirements; (b) environmental, health or safety matters or conditions (including on-site or off-site contamination, occupational safety and health and regulation of Hazardous Materials); (c) Remedial Action undertaken by any Person; (d) bodily injury (including illness, disability and death, and regardless of when any such bodily injury occurred, was incurred or manifested itself), property damage (including trespass, nuisance, wrongful eviction and deprivation of the use of real or personal property), or other losses or damages incurred by any other Person (including any employee or former employee of such Person); (e) any injury to, destruction of, or loss of natural resources, or costs of any natural resource damage assessments; (f) exposure of any Person to any Hazardous Materials; and (g) the presence or Release of any Hazardous Materials.

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"Environmental Requirements" mean all present Laws (including common law), regulations, legally binding or otherwise enforceable requirements and Authorizations and Permits relating to human health, pollution, or protection of the Environment (including ambient air, surface water, ground water, land surface or surface strata), including (i) those relating to emissions, discharges, Releases, or threatened Releases of Hazardous Materials, and (ii) those relating to the identification, generation, manufacture, processing, distribution, use, treatment, storage, disposal, release, recovery, transport or other handling of Hazardous Materials. Without limiting the foregoing, the term **"Environmental Requirements"** includes (1) CERCLA; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Emergency Planning and Community Right to Know Act, 42 U.S.C. Sections 11001-11050; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901-6992k ("RCRA"); the Safe Drinking Water Act, 42 U.S.C. Sections 300f to 300j-26; the Toxic Substances Control Act, 15 U.S.C. Sections 2601-2692; the Hazardous Materials Transportation Act, 49 U.S.C. Sections 5101-5127; the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387; the Oil Pollution Act of 1990, 33 U.S.C. Sections 2701--2761; the Clean Air Act, 42 U.S.C. Sections 7401-7671q; the Atomic Energy Act of 1954, as amended, 42 U.S.C. Sections 2011 et seq.; the Low Level Radioactive Waste Policy Act, as amended, 42 U.S.C. Section 2021b et seq.; the Occupational Safety and Health Act, 29 U.S.C. Sections 651-678, and the regulations promulgated pursuant to the above-listed federal statutes, and (2) counterpart Laws and regulations promulgated or issued by any state or local Governmental Authority.

"EPA" means the United States Environmental Protection Agency, or a successor Governmental Authority with substantially similar power and authority thereto.

"Equipment and Machinery" means (i) all the equipment, tangible personal property, machinery, office furniture and equipment, fixtures, tooling, spare maintenance or replacement parts, environmental testing equipment, and vehicles owned or leased by the Seller (including all leases of such property), (ii) any rights of the Seller to warranties applicable to the foregoing (to the extent assignable), and licenses received from manufacturers and Seller of any such item, and (iii) any related claims, credits, and rights of recovery with respect thereto. Notwithstanding the foregoing, "Equipment and Machinery" shall not include any Excluded Assets.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Escrow Agent" shall have the meaning set forth in the Closing Escrow Agreement.

"Escrow Fund" shall have the meaning set forth in Section 3.01.

"Escrow Release Date" means the date that is eighteen (18) months following the Closing Date.

"Excluded Assets" has the meaning specified in Section 2.01(j).

"Excluded Liability" or **"Excluded Liabilities"** means any and all liabilities, debts or obligations of any nature, whether known or unknown, absolute, accrued, contingent, liquidated, unliquidated, due or to become due or otherwise and whether or not required to be reflected on a

balance sheet prepared in accordance with GASB, in each case which are not expressly stated to be Assumed Liabilities.

"Files and Records" means all files and records of the Seller primarily relating to the System, whether in hard copy or magnetic or other format including customer and supplier records, customer lists (both current and prospective), records of sales calls, manuals, books, files, records, engineering data, procedures, systems, instructions, drawings, blueprints, plans, designs, specifications, equipment lists, parts lists, equipment maintenance records, equipment warranty information, plant plans, specifications and drawings, sales and advertising material, computer software, and records relating to Transferred Personnel, and whether stored on-site or off-site.

"Final Order" means a Governmental Approval by a Governmental Authority as to which (a) no request for stay of the action is pending, no such stay is in effect and if any time period is permitted by statute or regulation for filing any request for such stay, such time period has passed, (b) no petition for rehearing of the action is pending and the time for filing any such petition or application has passed, (c) such Governmental Authority does not have the action under reconsideration on its own motion and (d) no appeal to a court or administrative tribunal or a request for stay by a court or administrative tribunal of the Governmental Authority's action is pending or in effect and the deadline for filing any such appeal or request for stay has passed.

"Financial Statements" has the meaning specified in Section 4.06.

"GASB" means the Government Accounting Standards Board.

"Governmental Approval" means any consent, approval, authorization, notice, filing, registration, submission, reporting, order, adjudication or similar item of, to or with any Governmental Authority.

"Governmental Authority" or **"Governmental Authorities"** means any court, department, commission, board, bureau, municipality, municipal authority (established pursuant to the Municipal Authorities Act of the Commonwealth of Pennsylvania), agency or instrumentality of the United States, any state, county, city or political subdivision thereof, or any foreign governmental body, including without limitation, the PaPUC, the EPA, PaDEP and the Authority Board.

"Hazardous Materials" means any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is a contaminant, pollutant, dangerous substance, toxic substance, hazardous waste, residual waste, solid waste, hazardous material or hazardous substance which is or becomes regulated by applicable Environmental Laws or which is classified as hazardous or toxic under applicable Environmental Laws (including gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls, asbestos and urea formaldehyde foam insulation).

"Indemnified Party" means any Buyer Indemnified Persons or Seller Indemnified Persons, as applicable, entitled to indemnification pursuant to Article VIII.

"Indemnifying Party" means a Party which is obligated to indemnify the Buyer Indemnified Persons or the Seller Indemnified Persons, as applicable, pursuant to Article VIII.

"Knowledge", **"to the Knowledge of"**, and phrases of similar import, means the actual knowledge, after reasonable inquiry, of (A) with respect to Seller, Chuck Schultz, the Seller's Superintendent and Jeff Lape, the Seller's Financial Controller, or (B), with respect to Buyer, its President and Vice President of Operations.

"Law" means any applicable law, statute, regulation, ordinance, rule, order, judicial, administrative or regulatory decree, judgment, adjudication, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority, as may be in effect at the relevant time or times in the context in which the term is used.

"Liability Cap" has the meaning specified in Section 8.05(c).

"Lien" means any lien in a fixed and ascertainable monetary sum, or any pledge, mortgage, deed of trust or security interest securing a fixed and ascertainable monetary sum, or any charge or claim in a fixed and ascertainable monetary sum. In addition, in connection with Real Property, any item otherwise falling within the definition of a "Lien" must be filed of record by the responsible Party in accordance with the terms of this Agreement.

"Loss" means any and all losses, liabilities, obligations, damages, penalties, interest, Taxes, claims, actions, demands, causes of action, judgments, reasonable attorneys', consultants' and other professional fees, and all other reasonable costs and expenses sustained or incurred in investigating, preparing or defending or otherwise incident to any such claim, action, demand, cause of action or judgment or the enforcement of a Party's rights under Article VIII; *provided, however,* that **"Losses"** shall not include punitive, special, indirect and consequential damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party in respect of a Third Party Claim.

"Material Adverse Effect," means a material adverse effect on the business, financial condition or results of operations of the System; provided, however, that no effect arising out of or in connection with or resulting from any of the following shall be deemed, either alone or in combination, to constitute or contribute to a Material Adverse Effect: (i) general economic conditions or changes therein; (ii) financial, banking, currency or capital markets fluctuations or conditions (either in the United States or any international market and including changes in interest rates); (iii) conditions affecting the real estate, financial services, construction, water utility or sewer utility industries generally; (iv) any existing event, circumstance, condition or occurrence of which the Buyer has Knowledge as of the Effective Date; (v) any action, omission, change, effect, circumstance or condition contemplated by this Agreement or attributable to the execution, performance or announcement of this Agreement or the transactions contemplated hereby; and (vi) negligence, intentional misconduct or bad faith of the Buyer or its Representatives.

"Missing Easements" means, as of any particular date, each Easement that is appurtenant to any Combined Sewer System Asset or necessary for access to any Combined Sewer System

Asset or for the operation of any Combined Sewer System Asset (including Easements for utilities and power to any Combined Sewer System Asset) or otherwise is necessary for or used in connection with the operation of the System or to provide continuous and unimpeded rights of way for the Combined Sewer System Assets (including access thereto) that either (a) has not been obtained by the Seller prior such date or (b) if such Easement has been obtained by the Seller prior to such date, such Easement is unrecorded or such Easement is not sufficient to operate the System as currently conducted.

"Municipal Separate Storm Sewer System" or "MS4 System" means the current and any future assets and facilities, built, operated or maintained, or real property ("**MS4 System Real Property**") and Stormwater System Assets owned by the City, the Seller, the City of Duquesne, Pennsylvania, Port Vue Borough, Pennsylvania or the Borough of Dravosburg, Pennsylvania and used for the purpose of capturing, conveying and discharging stormwater separate from any sewage or wastewaters. This includes any assets which may be built by the Buyer and contributed to the Authority, the City, the City of Duquesne, Pennsylvania, Port Vue Borough, Pennsylvania or the Borough of Dravosburg, Pennsylvania as the case may be at future date to separate the wastewater and stormwater flows in the Combined Sewer System.

"Municipal Service Agreements" means each of the municipal service agreements listed on Schedule 4.15.

"Non-Union Personnel" means Personnel who are not members of the Union.

"Outside Date" means December 31, 2017.

"Outstanding Indebtedness" means the outstanding indebtedness of the Seller set forth on Schedule 7.07.

"PaDEP" means the Pennsylvania Department of Environmental Protection, or any successor Governmental Authority with substantially similar powers thereto.

"PaPUC" means the Pennsylvania Public Utility Commission, or any successor Governmental Authority with substantially similar powers thereto.

"Party" means Buyer, the City or the Seller and the term "Parties" means collectively Buyer, the City and the Seller.

"PCB Equipment" means PCB equipment as defined in 40 C.F.R. Part 761.

"Permitted Liens" means (a) the Liens, security interests, encumbrances and pledges of revenues on the Outstanding Indebtedness assumed by Buyer at Closing pursuant to Sections 3.02(a)(ii) and 7.07, (b) Liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures; (c) easements, rights of way, zoning ordinances and other similar encumbrances affecting Real Property; (d) other than with respect to Real Property owned by the Seller, Liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business; and (e) other imperfections of title or Liens, if any, that have not had, and would not have, a Material Adverse Effect.

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"Person" means any individual (including, the heirs, beneficiaries, executors, legal representatives or administrators thereof), corporation, partnership, joint venture, trust, limited liability company, limited partnership, joint stock company, unincorporated association or other entity or a Governmental Authority.

"Personnel" means the employees of the Seller and includes Union Personnel and Non-Union Personnel.

"Proposal" means any written agreement, arrangement, offer or proposal (including a letter of intent, term sheet, form of definitive agreement or definitive agreement) for a Sale Transaction.

"Purchase Price" has the meaning specified in Section 3.02.

"Real Property" has the meaning specified in Section 4.09.

"Regulated Asbestos Containing Material" means regulated asbestos containing material as defined by 40 C.F.R. § 61.141.

"Release" means any actual or threatened spilling, leaking, pumping, pouring, injecting, emptying, discharging, emitting, escaping, leaching, dumping, disposal, or release or migration of Hazardous Materials into the Environment, including the abandonment or discarding of barrels, containers and other receptacles containing any Hazardous Materials.

"Remedial Action" means any and all actions to (a) investigate, clean up, remediate, remove, treat, contain or in any other way address any Hazardous Materials in the Environment, (b) prevent the Release or threat of Release or minimize the further Release of any Hazardous Materials so it does not migrate or endanger public health or welfare or the indoor or outdoor Environment, and (c) perform pre-remedial studies and investigations and post-remedial monitoring, maintenance and care. The term **"Remedial Action"** includes any action which constitutes (i) a "removal", "remedial action" or "response" as defined by Section 101 of CERCLA, 42 U.S.C. §§ 9601(23), (24), and (25); (ii) a "corrective action" as defined in RCRA, 42 U.S.C. § 6901 et seq.; or (iii) a "response" or "interim response" as defined in the Pennsylvania Hazardous Sites Cleanup Act, 35 P.S. §6020.103.

"Representative" means, with respect to any Person, any director, officer, employee, official, lender mortgagee, financier, provider of any financial instrument (or any agent or trustee acting on their behalf), partner, member, owner, agent, lawyer, accountant, auditor, professional advisor, consultant, engineer, contractor, other Person for whom such Person is at law responsible or other representative of such Person and any professional advisor, consultant or engineer designated by such Person as its "Representative."

"Sale Transaction" means any proposed sale, lease, liquidation or transfer of all or substantially all of the System or the Acquired Assets by Buyer reflected in a Proposal, and including such other assets of Buyer or its Affiliates included in such proposed transaction, and which are integrated into or with the System at the time of such proposed transaction; *provided,*

that the term "Sale Transaction" excludes any sale or transfer of the equity interests, or all or substantially all the assets, of Buyer, Buyer Parent or any of their respective Affiliates.

"**Schedules**" means the disclosure schedules delivered by Seller and Buyer, respectively, concurrently with the execution and delivery of this Agreement, and as may be supplemented and updated pursuant to Sections 9.03 and 10.04. Any disclosure set forth on any particular Schedule shall be deemed disclosure in reference to all Schedules comprising the Schedules to which such disclosure is clearly applicable.

"**Seller**" has the meaning specified in the Preamble of this Agreement.

"**Seller Indemnified Persons**" has the meaning specified in Section 8.03.

"**Seller's Benefit Obligations**" have the meaning specified in Section 4.11.

"**Seller NPDES Permits**" means the following National Pollutant Discharge Elimination System Permits: (i) Permit No. PA0026913, (ii) Permit No. PA00284021, (iii) PA0026981 and (iv) Permit No. PA0254690 issued by PaDEP to Seller with respect to the System, including any revisions or amendments thereto.

"**Seller's Plans**" have the meaning specified in Section 4.11.

"**Service Area**" has the meaning set forth in the recitals to this Agreement.

"**Stabilization Period**" has the meaning specified in Section 7.05(b).

"**Stormwater System Assets**" means all assets owned by the Seller, the City, the City of Duquesne, Pennsylvania, Port Vue Borough, Pennsylvania or the Borough of Dravosburg, Pennsylvania and used exclusively in the operation or maintenance of the MS4 System, including (i) drains, pipes and collection basins and all other stormwater drainage assets used exclusively for stormwater collection, conveyance and discharge; (ii) catch basins, inlets, pipes and all other stormwater lateral facilities (the "**Stormwater Lateral Facilities**") that connect surface stormwater drains to storm conveyances which discharge to surface waters, and (iii) the City, the City of Duquesne, Pennsylvania, Port Vue Borough, Pennsylvania or the Borough of Dravosburg NPDES Permits. Stormwater System Assets shall not include the Combined Sewer System Assets or any other property that is jointly used for (a) the collection, transportation and treatment of stormwater or otherwise in the operation of the stormwater system and (b) the operation of the System, including the Stormwater Lateral Facilities that connect surface stormwater drains to Combined Sewer System Assets mains.

"**Supplies**" means all lubricants, spare parts, fuel, chemicals, raw materials, and other supplies and inventory, and all rights to warranties received from suppliers with respect to the foregoing, and related claims, credits, and rights of recovery with respect thereto.

"**System**" has the meaning specified in the recitals to this Agreement and shall include the Acquired Assets and exclude the Excluded Assets.

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"Taxes" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, permit fees, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, parking, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax, levy, impost, stamp tax, duty, fee, withholding or similar imposition of any kind payable, levied, collected, withheld or assessed at any time, including any interest, penalty or addition thereto, whether disputed or not.

"Threshold Amount" has the meaning specified in Section 8.05(a).

"Title Commitment" has the meaning specified in Section 6.01.

"Title Company" has the meaning specified in Section 6.01.

"Title Policy" has the meaning specified in Section 2.03.

"Transferred Personnel" has the meaning specified in Section 7.03.

"UCC Search" has the meaning specified in Section 6.04.

"Union" means the Utility Workers Union of America, AFL-CIO.

"Union Personnel" means Personnel who are members of the Union.

"Unscheduled Real Property" has the meaning specified in Section 4.09.

ARTICLE II.

TERMS OF PURCHASE AND ASSUMPTION OF LIABILITIES

Section 2.01. **Purchase and Sale of Acquired Assets.** Subject to the terms and conditions set forth in this Agreement, at Closing, Buyer shall purchase from the Seller and the Seller shall sell, transfer, assign and deliver to Buyer, free and clear of all Liens except for Permitted Liens, all of Seller's right, title and interest in and to all assets, facilities, business, goodwill, properties and rights of the Seller of every kind and description, whether tangible or intangible, real, personal or mixed, wherever situated, in each case used in, held for use in, or acquired or developed for use in, the System, or otherwise related to, or arising out of the operation or conduct of the System (whether or not any such assets have any value for accounting purposes or are carried or reflected on the books or financial statements of the Seller), but in all cases other than the Excluded Assets (the foregoing collectively referred to as the "Acquired Assets"), including:

(a) all real property and appurtenant interests, Easements, rights of way, property rights and privileges owned, licensed or leased by the Seller including the Real Property, leases or licenses or other arrangements by or between the Seller and third Persons of the Real Property or other Acquired Assets and fixtures;

(b) all sanitary wastewater related treatment and conveyance facilities, including but not limited to the Seller's sewage treatment plant located at 100 Atlantic Ave. in the City, pipes, manholes, pump stations and pipelines and any billing and collections related assets;

(c) all sanitary wastewater related treatment and conveyance facilities, including but not limited to the Seller's sewage treatment plant located at Dravosburg Sewage Plant, Route 837, Dravosburg, PA 15034 in the Borough of Dravosburg, pipes, manholes, pump stations and pipelines and any billing and collections related assets;

(d) all assets related to the sanitary wastewater treatment and conveyance facilities, including in Port Vue Borough, including pipes, manholes, pump stations and pipelines and any billing and collections related assets;

(e) all sanitary wastewater related treatment and conveyance facilities, including but not limited to the Seller's sewage treatment plant located at Duquesne Sewage Plant, Route 837, Duquesne, PA 15110 in the City of Duquesne, pipes, manholes, pump stations and pipelines and any billing and collections related assets;

(f) all contracts, including the Municipal Service Agreements (until such time as the Municipal Service Agreements terminate in accordance with each such agreement's terms), listed on Schedule 4.15, licenses and leases to which the Seller is a party, including without limitation, all construction contracts, surety bonds, management agreements, architect agreements and consultant agreements, relating to vehicles and other items of personal property (the "Assigned Contracts");

- (g) all Supplies;
- (h) all personal property and fixed assets, including all Equipment and Machinery, system pipes, auxiliary equipment and plant equipment;
- (i) all prepaid expenses and security deposits;
- (j) all Files and Records;
- (k) all Authorizations and Permits of or held by the Seller (to the extent transferrable to Buyer under applicable Law), including all Authorizations and Permits which are environmental permits, the Seller's NPDES Permits, other operating permits and those items listed or described on Schedule 4.14 hereto;
- (l) the Combined Sewer System Assets; and
- (m) all goodwill of the System.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, INCLUDING ANY REPRESENTATION AS TO THE PHYSICAL CONDITION OR VALUE OF ANY OF THE ACQUIRED ASSETS OR THE SYSTEM, OR THE FUTURE PROFITABILITY OR FUTURE EARNINGS PERFORMANCE OF THE ACQUIRED ASSETS OR THE SYSTEM OR ANY FUTURE RATEMAKING THAT MAY BE ALLOWED BY THE PAPUC FOR ANY OF THE ACQUIRED ASSETS. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED; NOTWITHSTANDING THE FOREGOING, THE SELLER IS NOT AWARE, AS OF THE CLOSING DATE, OF ANY DEFECT IN THE PERFORMANCE OR OPERATION OF THE PHYSICAL ASSETS CONSTITUTING THE SYSTEM.

Section 2.02. **Excluded Assets.** Notwithstanding anything herein to the contrary, the Acquired Assets shall not include the following (the "Excluded Assets"):

- (a) the Stormwater System Assets;
- (b) all contracts, licenses and leases that are not Assigned Contracts;
- (c) the corporate seals, organizational documents, minute books, Tax Returns, books of account or other records having to do with the organization of Seller and all employee-related or employee benefit-related files or records, other than personnel files of Transferred Personnel;
- (d) cash and cash equivalents, including accounts receivable, but excluding customer deposits, if any;
- (e) all insurance policies of Seller and all rights to applicable claims and proceeds thereunder;

- (f) subject to Section 4.11, all Seller's Plans and trusts or other assets attributable thereto;
- (g) all rights to any action, suit or claim of any nature available to or being pursued by Seller, whether arising by way of counterclaim or otherwise;
- (h) all assets, properties and rights used by Seller other than those which primarily relate to the operations of the System;
- (i) the assets, properties and rights specifically set forth on Schedule 2.02(i);
- (j) the City's NPDES Permit;
- (k) the MS4 System Real Property; and
- (l) the rights which accrue or will accrue to Seller under this Agreement and any related agreement, exhibit or schedule.

Section 2.03. **Sale Free of Liens.** After Buyer fulfills its obligations pursuant to Section 3.02(a), the Acquired Assets to be sold, conveyed, transferred, assigned and delivered by the Seller to Buyer, as herein provided, shall be on the Closing Date, free and clear of all Liens other than Permitted Liens and the revenues of the System shall be free and clear of any lien of a trustee for the benefit of the holders of any of the Outstanding Indebtedness. Such Acquired Assets shall be conveyed by appropriate special warranty or other deed (subject to Section 6.02(c) below), bills of sale, endorsements, assignments and other instruments of transfer or conveyance described herein, and if not expressly described herein, then by transfer documents satisfactory in form and substance reasonably acceptable to Buyer and Seller and their counsel in their reasonable, good faith discretion. With respect to the Real Property, at Closing title to the same shall be insured by the Title Company, at the Title Company's filed rates, as a good and marketable title, free and clear of all Liens and exceptions to coverage, except for the Permitted Liens, pursuant to an owner's policy of title insurance on the American Land Title Association's ("ALTA") Owner's Form 2006, subject to the terms of Section 6.02 below (the "Title Policy").

Section 2.04. **Assumption of Liabilities.**

(a) On the terms and subject to the conditions set forth in this Agreement and excluding the Excluded Liabilities, Buyer shall assume and agrees to pay, perform and discharge when due only the following liabilities and obligations of the Seller and no others (the "Assumed Liabilities"): (1) liabilities and obligations arising under the Seller's NPDES Permits (whether arising from, related to, or based on events or circumstances occurring on or after the Closing Date), (2) in the event that Buyer and the Union have agreed prior to the Closing to enter into the Amended CBA effective as of immediately following the Closing, liabilities and obligations under the Amended CBA, and (3) arising out of or relating to the System or the Acquired Assets on or after the Closing, including, without limitation, the following:

- (i) all liabilities and obligations under the Assigned Contracts and Authorizations and Permits;

(ii) except as set forth in Section 7.03, all liabilities and obligations relating to employee benefits, compensation or other arrangements with respect to any Transferred Personnel arising on or after the Closing;

(iii) any litigation initiated against Seller related to the System or the Acquired Assets resulting from events that occur or conditions that exist and which arise on or after the Closing;

(iv) all liabilities and obligations for Taxes relating to the System, its operation, the Acquired Assets and the Assumed Liabilities for any taxable period ending after the Closing Date;

(v) to the extent assumed by Buyer pursuant to Section 3.02(a), all of the obligations related to the Outstanding Indebtedness; and

(vi) all other liabilities and obligations arising out of or relating to Buyer's ownership or operation of the System and the Acquired Assets and which arise on or after the Closing (all of the aforementioned liabilities in this Section 2.04(a) are referred to as the "Assumed Liabilities").

(b) At the Closing, to the extent the Seller is not released therefrom, Seller shall be indemnified against its obligations under the Assumed Liabilities in accordance with Section 8.03.

(c) Buyer shall not assume or be liable to pay any liabilities or obligations relating to the Excluded Liabilities or any other liabilities or obligations that are not Assumed Liabilities.

Section 2.05. **Further Assurances.** At any time and from time to time after the Closing Date, the Seller and the City shall, upon the request of Buyer, and Buyer shall, upon the request of the Seller, at the cost of requesting Party, promptly execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate, (a) the sale, conveyance, transfer, assignment and delivery hereunder of the Acquired Assets to Buyer, (b) the assumption by Buyer of any of the Assumed Liabilities, (c) performance by the Parties of any of their other respective obligations under this Agreement, (d) the vesting in Buyer of all right, title and interest in the Acquired Assets and the System as provided herein, and (e) any other matters reasonably requested by a Party to carry out the provisions, purposes and intent of this Agreement.

Section 2.06. **Certain Transfers; Assignment of Contracts.** Notwithstanding anything to the contrary in this Agreement, and subject to the provisions of this Section 2.06(a) and Section 2.06(b), to the extent that the sale, transfer, assignment, conveyance and delivery, or attempted sale, transfer, assignment, conveyance and delivery, to Buyer of any Assigned Contract or other Acquired Asset would result in a violation of applicable Law, or would require the consent, authorization, approval or waiver of any Person (other than the Parties hereto), including any Governmental Authority, and such consent, authorization, approval or waiver shall

not have been obtained prior to the Closing, this Agreement shall not constitute a sale, transfer, assignment, conveyance and delivery, or an attempted sale, transfer, assignment, conveyance and delivery, thereof (any such Acquired Asset, a "Nonassignable Asset"). Nevertheless, and notwithstanding the foregoing, Seller shall actively assist the Buyer in the assignment to Buyer (or amendment or entry into a new agreement) on terms satisfactory to the Buyer, of the Municipal Service Agreements effective as of the Closing Date. Following the Closing, the Seller, the City and Buyer shall use commercially reasonable efforts (at the cost and expense of the Party that is responsible for compliance with such Law or obtaining such consent, authorization, approval or waiver), and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution, novation or amendment required to sell, transfer, assign, convey and deliver any such Nonassignable Asset to Buyer; *provided, however*, that in no event shall Buyer be required to pay any consideration therefor. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, the Seller shall sell, transfer, assign, convey and deliver to Buyer the relevant Acquired Asset to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration. Any applicable sales, transfer and other similar Taxes in connection with such sale, transfer, assignment, conveyance and delivery shall be paid one-half by Buyer and one-half by the Seller.

(b) Until such time as a Nonassignable Asset is transferred to Buyer pursuant to this Article II, Buyer and the Seller shall cooperate in any commercially reasonable and economically feasible arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and, to the extent permitted under applicable Law, operational equivalent of the transfer of such Nonassignable Asset to Buyer at the Closing and the performance by Buyer of its obligations with respect thereto, and so long as the Seller transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under applicable Law and the terms of any applicable contract that constitutes a Nonassignable Asset, as agent or subcontractor for the Seller, pay, perform and discharge the liabilities and obligations of the Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would constitute Assumed Liabilities if the applicable consent or approval had been obtained on or prior to the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under applicable Law, the Seller shall, at Buyer's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by the Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the date hereof and prior to the Closing, Buyer identifies any contract to which the Seller is a party which is not set forth on Schedule 4.15 as of the date hereof, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall give notice of such determination to the Seller and the Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.15 reflecting the addition of such contract, and such contract shall thereafter constitute and be deemed an "Assigned Contract" for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing, Buyer identifies any contract to which the Seller was a party as of the Closing and which (i) was

not set forth on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, the Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

(e) From the date of this Agreement until the Closing Date, the Seller shall collect accounts receivable and pay accounts payable in the ordinary course and in a manner consistent with its past practices.

ARTICLE III.

ESCROW AND PURCHASE PRICE

Section 3.01. **Escrow Amount.** At Closing, Seven Million Eight Hundred Thousand Dollars (\$7,800,000) of the Purchase Price (defined below) shall be deposited in escrow (the "Escrow Fund") with the Escrow Agent pursuant to an escrow agreement in the form of Exhibit A, by and among the Seller, the City, the Buyer and the Escrow Agent (the "Closing Escrow Agreement") to provide for any indemnification claims of the Buyer due and payable by the Seller pursuant to Section 8.02 herein; *provided, however*, that the Escrow Fund shall be released to the Seller or the City (in accordance with the Closing Escrow Agreement) on the Escrow Release Date, except for any amount reasonably required to cover any indemnification claim made by the Buyer prior to such date.

Section 3.02. **Purchase Price.** The purchase price for the Acquired Assets shall be One Hundred Fifty-Six Million Dollars (\$156,000,000) or the final appraised value as determined under 66 Pa.C.S. Section 1329, whichever is higher (the "Purchase Price") which shall be paid as follows:

(a) Within five (5) Business Days of the Effective Date, Buyer shall deposit Five Million Dollars (\$5,000,000) of the Purchase Price, payable to the City in immediately available funds (the "Signing Cash Deposit"), subject to Section 14.02 and secured by the City with a duly executed note (the "Deposit Note"), in the form attached hereto as Exhibit B;

(b) Within five (5) Business Days of receipt of written notice from the City that it has due and owing specific payables which meet the definition of Appropriate Use, such payables meet or exceed the amount set forth below and such payables are specifically identified in said notice, but in any case not prior to January 15, 2017, Buyer shall deposit Two Million Dollars (\$2,000,000) of the Purchase Price, payable to the City in immediately available funds (the "2017 Cash Deposit" and together with the Signing Cash Deposit, the "Deposits"), subject to Section 14.02 and secured by the City with the Deposit Note.

(c) At Closing, Buyer shall (i) provide for payment in full the total amount of Outstanding Indebtedness (less any amounts of Outstanding Indebtedness actually assumed by

Buyer pursuant to clause (ii) below) and/or (ii) subject to the provisions of Section 7.07, assume any of the Seller's obligations related to the Outstanding Indebtedness and obtain a release of Seller from all obligations thereunder in such form and terms reasonably acceptable to Seller and/or provide written evidence of such payment in full to Seller in such form reasonably acceptable to Seller, at Buyer's discretion;

(d) After funding the Escrow Fund at Closing, Buyer shall pay to the Seller by wire transfer of immediately available funds the balance of the Purchase Price (after taking into account the amount paid or assumed by the Buyer pursuant to Section 3.02(c) and less any outstanding Deposits on the Closing Date) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date;

(e) While not part of the original request from the City or the Authority, the Buyer consents to the inclusion of the Deposits in this Agreement in its own belief that the Deposits are beneficial to all Parties, provided, that all Parties hereby represent and agree that no other deposits or advances on the Purchase Price on any kind will be sought or agreed to in any manner prior to the Closing; and

(f) The Purchase Price shall be reduced by the amount of accounts payable which are outstanding on the Closing Date and which are aged over thirty (30) days (and for which provision for payment has not been made by Seller).

Section 3.03. Fair Consideration.

The Parties acknowledge and agree that the consideration provided for in this Article III represents fair consideration and reasonable equivalent value for the sale and transfer of the Acquired Assets and the transactions, covenants and agreements set forth in this Agreement, which consideration was agreed upon as the result of arm's-length good faith negotiations between the Parties and their respective Representatives.

Section 3.04. Allocation of the Purchase Price.

Buyer and the Seller agree that the Purchase Price (which for purposes of this Section 3.04 shall include any liabilities required to be treated as part of the Purchase Price for U.S. federal income Tax purposes), as may be adjusted pursuant to this Section 3.04, shall be allocated among the Acquired Assets in accordance with the allocation reflected in a schedule prepared by Buyer in accordance with this Section 3.04 (the "Allocation Schedule"). Within sixty (60) days following the final determination of the Purchase Price pursuant to Section 3.02, Buyer shall deliver to the Seller a draft of the Allocation Schedule setting forth Buyer's proposed allocation for the Seller's review. The Seller shall have the right to review and reasonably comment upon Buyer's proposed Allocation Schedule, *provided*, that (a) such proposed Allocation Schedule shall be deemed approved by the Seller and shall be final and binding upon the Parties unless the Seller provides written notice of the Seller's comments to one or more items reflected in the proposed Allocation Schedule within twenty (20) Business Days after delivery of the proposed Allocation Schedule to the Seller, and (b) upon receipt of any such written comments from the Seller with respect to the proposed Allocation Schedule, Buyer may make such adjustments or revisions to the proposed Allocation Schedule based on the Seller's comments as Buyer determines in good

faith to be necessary and appropriate, *provided further*, that Buyer shall have no obligation to make any such adjustments or revisions absent manifest error. The Parties shall adhere to the Allocation Schedule (as finally determined pursuant to this Section 3.04) for all purposes relevant to the calculation of federal or state Taxes, and will report the transactions contemplated herein in a manner consistent with such Allocation Schedule. Except as required by applicable Law, Buyer and the Seller shall not take any position on their respective Tax Returns that is inconsistent with the Allocation Schedule.

Section 3.05. **Transfer Taxes.**

Any and all deed stamps or transfer Taxes which may be due the Commonwealth of Pennsylvania or any political subdivision in connection with the sale, transfer, assignment, conveyance and delivery hereunder of the Acquired Assets to Buyer (collectively, "**Transfer Taxes**"), shall be borne one-half by Buyer and one-half by the Seller, and if Buyer pays the full amount of any such Transfer Taxes, the Seller shall promptly, and in any event within five (5) Business Days, following Buyer's request therefor, pay to Buyer an amount equal to one-half of any such Transfer Taxes so paid by Buyer. The terms hereof shall survive Closing.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES OF THE SELLER AND THE CITY

The Seller and the City make only the representations and warranties which are set forth in this Article IV.

As a material inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, the Seller, and, where specifically referenced, the City, represent and warrant, as of the Effective Date and as of the Closing Date (except to the extent any of the following representations and warranties specifically apply to or relate to another date, in which event such representations and warranties shall be true and correct as of such other date), as follows:

Section 4.01. **Organization.**

The Seller is a body corporate and politic, duly organized and existing under the Municipal Authorities Act and incorporated by appropriate legal action of the City. The City is a duly organized and validly existing political subdivision of the Commonwealth of Pennsylvania.

Section 4.02. **Power and Authority.**

The Seller has (i) duly adopted the Authorizing Resolution authorizing the Transaction, which remains in full force and effect, (ii) duly authorized and approved the execution and delivery of this Agreement and (iii) duly authorized and approved the performance by the Seller of its obligations contained in this Agreement. The Seller has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof. The City has (i) duly adopted the Authorizing Ordinance authorizing the Transaction, which

remains in full force and effect and (ii) duly authorized and approved the performance by the City obligations specific and exclusive to the City as contained in this Agreement.

Section 4.03. **Enforceability.**

This Agreement has been duly authorized, executed and delivered by each of the Seller and the City and constitutes a valid and legally binding obligation of each of the Seller and the City, enforceable against each of the Seller and the City in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

The Deposit Note has been duly authorized and when executed and delivered by the City shall constitute a valid and legally binding obligation of the City, enforceable the City in accordance with the terms thereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

Section 4.04. **No Conflict or Violation.**

The execution and delivery of this Agreement by each of the Seller and the City, the consummation of the transactions contemplated hereby and the performance by each of the Seller and the City of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Seller or the City under (i) any applicable Law or (ii) any agreement, instrument or document to which the Seller or the City is a party or by which it is bound.

Section 4.05. **Consents and Approvals.**

Schedule 4.05 sets forth a list of each consent, waiver, authorization or approval of any Governmental Authority, or of any other Person, and each declaration to or filing or registration with any Governmental Authority required in connection with the execution and delivery of this Agreement by the Seller or the performance by the Seller of its obligations hereunder.

Section 4.06. **Financial Statements.**

(a) The financial statements of the Seller for the fiscal years ending December 31 of each of the years 2011 to 2015, both inclusive, have been prepared and presented in accordance with the applicable standards for financial reporting of the GASB, consistently applied, and fairly present, in all material respects, the financial condition and results of operations of the Seller as of the dates and for the periods stated in such financial statements, and that the financial statements for the fiscal year ending December 31, 2015 are presented in a manner consistent with prior years; and (b) there are no liabilities, obligations, indebtedness, debts, or commitments of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise, of the Seller or the System, other than liabilities (i) adequately reflected in or reserved against in the Financial Statements, (ii) incurred in the ordinary course of business since the date of the Financial Statements consistent with past practice and which are not, individually or in the aggregate material (in amount or otherwise),

(iii) incurred under Assigned Contracts to which the Seller is a party on the Effective Date with respect to the performance by the Seller of its obligations thereunder in the ordinary course of business (other than any liabilities or obligations that arise from the Seller's breach of, or default under, any such Assigned Contracts), (iv) related to undrawn amounts under Outstanding Indebtedness or (v) disclosed in Schedule 4.06(b).

Section 4.07. Absence of Certain Changes or Events.

Except as reflected in the Financial Statements, or as set forth on Schedule 4.07, since December 31, 2015, the Seller has operated and maintained the System since the date of this Agreement in the normal course and there has not been any transaction or occurrence that has resulted or is reasonably likely to result in a Material Adverse Effect

Section 4.08. Tax Matters.

Except as set forth in Schedule 4.08 or as would not have a Material Adverse Effect, the Seller represents that (i) Seller has timely paid all Taxes that may have been or may be due and payable by the Seller on or before the Closing Date, arising from the ownership or operation of the Acquired Assets or the System on or before the Closing Date; (ii) the Seller has set up reserves or accruals on the Financial Statements that are adequate for the payment of Taxes, if any, for all periods through the Closing Date; (iii) no Taxing authority has asserted any claim against the Seller for the assessment of any additional Tax liability or initiated any action or proceeding which could result in such an assertion; and (iv) the Seller has made all withholding of Taxes required to be made under all applicable Laws and regulations, including without limitation, withholding with respect to compensation paid to employees, and the amounts withheld have been properly paid over to the appropriate Taxing authorities. This section does not apply to any Tax matter related to an employee benefit plan or compensation arrangement that is addressed separately in Section 4.11.

Section 4.09. Real Property.

Seller represents that to its Knowledge, all real property the Seller owns and uses in the operation of the System (the "Real Property") is set forth on Schedule 4.09. There are no pending condemnation proceedings relating to any of the Real Property nor, to the Knowledge of Seller, has Seller actually received any written threats of any condemnation proceedings. To Seller's Knowledge, Seller has not received any written notices of any violations of any Law from any Governmental Authority with respect to the Real Property which has not been cured in all material respects.

Section 4.10. Equipment and Machinery.

The Seller represents that all material Equipment and Machinery included in the Acquired Assets is set forth and otherwise described on Schedule 4.10 and that such Equipment and Machinery operates satisfactorily. Except as set forth in Schedule 4.10, the Seller has good title, free and clear of all Liens (other than the Permitted Liens and Liens which are released on or prior to Closing) to the Equipment and Machinery owned by Seller.

Section 4.11. **Employee Benefit Plans.**

(a) As used in this Agreement, the following terms have the meanings set forth below:

"Seller's Benefit Obligations" means all material obligations, arrangements, or practices, whether or not legally enforceable, to provide benefits, other than salary or wages to present or former directors, employees or agents, (other than obligations, arrangements and practices that are Seller's Plans), that are owed, adopted or followed by the Seller. Seller's Benefit Obligations also include consulting agreements under which the compensation paid does not depend upon the amount of service rendered, sabbatical policies, severance payment policies and fringe benefits within the meaning of Code §132.

"Seller's Plans" means each voluntary employees' beneficiary association under Section 501(c)(9) of the Code whose members include any Personnel and any employee benefit plans or any other retirement, profit sharing, stock option, stock bonus, deferred compensation (including any "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code), severance, sick leave or other material plan or arrangement providing benefits to current or former Personnel, in each case, if either currently in effect or terminated within the last six (6) years, to which the Seller is a plan sponsor or to which the Seller otherwise contributes or has contributed within the last six (6) years, or in which the Seller otherwise participates or has participated within the last six (6) years.

(b) Schedule 4.11(b) contains a true and complete list of all Seller's Plans and Seller's Benefit Obligations, including amounts owed to current or past employees for severance, unpaid and unused vacation pay or sick leave, or similar obligations. All such Seller's Plans and Seller's Benefit Obligations are in full force and effect and are in material compliance both as to form and operation, with applicable provisions of ERISA or the Code, and any other applicable Laws, and with any applicable collective bargaining agreement. To Seller's Knowledge, no event has occurred which has resulted or would likely be expected to result in the imposition of any liability on the Seller under the Code or other applicable Law with respect to any Seller's Plans or Seller's Benefit Obligations and there is no unfunded pension liability owed or owing to any Person pursuant to Seller's Plans that is required to be assumed by Buyer;

(c) Except as set forth in Schedule 4.11(c), the Seller does not sponsor, maintain, contribute to, nor is it required to contribute to, any "multiemployer plan" within the meaning of Section 14(f) of the Code, and has no liability of any nature, whether known or unknown, fixed or contingent, with respect to any such multiemployer plan;

(d) Except as set forth on Schedule 4.11(d), Seller does not sponsor, maintain, contribute to, nor is it required to contribute to, any medical, health, life or other welfare plan or benefits for present or future terminated or retired Personnel or their spouses or dependents, other than as required by COBRA, or any comparable state law, and has no liability of any nature, whether known or unknown, fixed or contingent, with respect to any such post-termination welfare benefits;

(e) The Seller is and has been in compliance in all material respect with the requirements of COBRA and is not subject to any excise Tax under Code Section 4980B for the current or any prior taxable year; and

(f) Except as set forth in Schedule 4.11(f), the Seller represents that it has not entered into any severance or similar arrangement with respect to any present or former Personnel that will result in any obligation (absolute or contingent) of Buyer to make any payment to any present or former Personnel following termination of employment, including the termination of employment effected by the transactions contemplated by this Agreement. The consummation of the transactions contemplated by this Agreement will not trigger any severance or other obligation of the Seller for which Buyer shall have any liability.

Section 4.12. Personnel; Labor Matters.

(a) Seller represents that Schedule 4.12(a) sets forth all collective bargaining agreements and relationships with Personnel relating to the System to which the Seller, is a party, including the identification of the parties thereto and the expiration dates. Other than the collective bargaining agreements and relationships set forth in Schedule 4.12(a), there are no commitments, Contracts, agreements, arrangements or understandings (whether written or oral, formal or informal) of the Seller with respect to the Union or the Union Personnel, and the collective bargaining agreements described on Schedule 4.12(a) constitute the entire agreement between the Seller and the other parties thereto, with respect to the subject matter thereof.

(b) Except as set forth on Schedule 4.12(b), the Seller shall timely pay, or cause to be timely paid, to the Personnel as required under its policies and/or by applicable Law for accrued but unused and unpaid vacation, sick leave and other benefits accrued as of the Closing Date.

(c) The Seller has not, in the past five (5) years, effectuated:

(i) a "plant closing" (as defined in the Worker Adjustment and Retraining Notification Act ("WARN Act")) affecting any site of employment or one or more facilities or operating units within any site of employment or facility of the System; or

(ii) a "mass layoff" (as defined in the WARN Act) affecting any site of employment or facility of the System; nor has the System been affected by any transaction or engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state or local Law.

(d) None of the Personnel has suffered an "employment loss" (as defined in the WARN Act) during the previous six months.

Section 4.13. Environmental Compliance.

Except as set forth in Schedule 4.13 or that otherwise could not be expected to have a Material Adverse Effect, Seller represents:

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(a) The System as currently operated by the Seller and all operations and activities conducted by the Seller with respect to the System are in compliance in all material respects with all applicable Environmental Requirements.

(b) The Seller has generated, used, handled, treated, stored and disposed of all Hazardous Materials in (i) compliance in all material respects with all applicable Environmental Requirements and (ii) a manner that has not given, and could not reasonably be anticipated to give, rise to Environmental Liabilities.

(c) The Seller has not received notice of any Environmental Claims related to the System that have not been fully and finally resolved, and to the Knowledge of Seller no claims of Environmental Liabilities have been threatened allegedly arising from or relating to the System that have not been fully and finally resolved.

(d) Hazardous Materials are not present at or on the System or Acquired Assets, there has been no Release of Hazardous Materials at, on or from any part of the System or the Acquired Assets, in each case in a manner that violates any Environmental Requirements or has resulted in, or could reasonably be anticipated to give rise to, Environmental Liabilities.

(e) No Lien or activity use limitation or institutional control has been recorded affecting any Acquired Assets by any Governmental Authority due to either the presence of any Hazardous Material on or off the Acquired Assets or a violation of any Environmental Requirement.

(f) There are no underground storage tanks on or at any of the Acquired Assets. Any underground storage tanks previously located at the Acquired Assets have been removed or otherwise closed, plugged and abandoned in compliance with applicable Environmental Requirements in effect at the time of such closure.

(g) There is no PCB Equipment on or at any of the Acquired Assets. Any PCB Equipment that previously existed at the Acquired Assets has been flushed of polychlorinated byphenyls or has been removed and properly disposed of, in compliance with applicable Environmental Requirements, and any remaining PCB Equipment is labeled to the extent required under applicable Environmental Requirements and being managed in compliance with applicable Environmental Requirements.

(h) No Regulated Asbestos Containing Material exists in or on the Acquired Assets in an aggregate amount that would reasonably be expected to result in an Environmental Liability; and any Regulated Asbestos Containing Material is being managed in compliance with all applicable Environmental Requirements.

(i) The Seller has delivered to Buyer (1) all material environmental site assessments or reasonable and accurate summaries thereof pertaining to the System, (2) all material compliance audits or compliance assurance reviews prepared within the previous five (5) years or reasonable and accurate summaries thereof relating to compliance with Environmental Requirements by the System, and (3) reasonable and accurate summaries of, or all material

documents pertaining to, any known and unresolved Environmental Liabilities incurred in relation to the System, to the extent possessed by or under the reasonable control of the Seller.

Section 4.14. Authorizations and Permits.

Seller represents that (i) Schedule 4.14 lists or describes the Authorizations and Permits of Seller that are currently in full force and effect; (ii) the Seller has made true and complete copies of all Authorizations and Permits available to Buyer; and (iii) except as set forth on Schedule 4.14, the Seller is in compliance with all material terms, conditions and requirements of all Authorizations and Permits, except in each case where such violation or failure, individually or in the aggregate, would not have a Material Adverse Effect, and no proceeding is pending or, to the Knowledge of the Seller threatened relating to the revocation or limitation of any of the Authorizations or Permits, other than those revocations or limitations which do not individually or in the aggregate have a Material Adverse Effect.

Section 4.15. System Contracts.

(a) Schedule 4.15 contains a complete and accurate list of all the Assigned Contracts, including the Municipal Service Agreements.

(b) The Seller has made available to Buyer true and complete copies of all the foregoing Assigned Contracts.

(c) Seller further represents that all of the Assigned Contracts specified in Schedule 4.15 are in full force and effect. Seller has not, nor to the Knowledge of the Seller has any other party thereto, breached any material provision of or defaulted under the material terms of, nor does any condition exist which, with notice or lapse of time, or both, would cause the Seller, or to the Knowledge of Seller, any other party, to be in default under any Assigned Contract.

Section 4.16. Compliance with Law; Litigation.

(a) The Seller has operated and is operating the System in compliance, in all material respects, with all applicable Laws, Authorizations and Permits and is not in breach of any applicable Law, Authorization or Permit that would have a Material Adverse Effect on the operations of the System or on the Buyer. There are no Authorizations or Permits from any Governmental Authority necessary for the operation of the System as currently being operated except for those Authorizations and Permits listed in Schedule 4.14.

(b) Except as disclosed to the Buyer prior to the Effective Date, there are no facts, circumstances, conditions or occurrences regarding the System that could reasonably be expected to give rise to any material environmental claims or governmental enforcement actions, and there are no past, pending or threatened material environmental claims or governmental enforcement actions against the Authority.

(c) Except as disclosed in Schedule 4.16, there is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Authority, threatened against the Seller prior to or at the Time of Closing, which will have a material adverse effect on the operations of the System. As of the date of this Agreement, there is

no action, suit or proceeding, at Law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Seller, threatened against the Seller which could materially affect the validity or enforceability of this Agreement. The matters set forth on Schedule 4.16 are Excluded Liabilities.

Section 4.17. Broker's and Finder's Fees.

Each of the City and Seller represents that no broker, finder, or Person is entitled to any commission or finder's fee by reason of any agreement or action of Seller or the City in connection with this Agreement or the transactions contemplated by this Agreement. Seller agrees to pay when due the fees and expenses of their financial and technical advisors. Seller has employed Public Financial Management, Inc. and Boenning & Scattergood Inc., as municipal advisors to provide transaction structuring advice and to provide Seller with municipal advice relating to the sale of the System. Seller shall be solely responsible to pay all fees owed to Public Financial Management, Inc. and Boenning & Scattergood Inc. in connection with the transactions contemplated by this Agreement.

Section 4.18. Title to the Acquired Assets; Sufficiency.

(a) Except as set forth on Schedule 4.18(a), the Seller has good and marketable title to, valid leasehold interest in or valid licenses to use, all of the Acquired Assets, free and clear of all Liens, other than Permitted Liens and Liens which will be fully and unconditionally released at or prior to Closing. The use of the Acquired Assets is not subject to any Liens, other than Permitted Liens, and such use does not encroach on the property or the rights of any Person.

(b) Except as set forth on Schedule 4.18(b), the Acquired Assets are sufficient for, and constitute all the assets, properties, business, goodwill and rights of every kind and description, and services required for, the continued conduct and operation of the System by Buyer in substantially the same manner as currently conducted and operated by Seller. Except for the Excluded Assets and except as set forth on Schedule 4.18(b), (i) the Acquired Assets, taken as a whole, comprise all the assets, properties, business, goodwill and rights of every kind and description used or held for use in, or useful or necessary to the operation of the System as currently operated by Seller, and (ii) there are no assets, properties, business, goodwill, rights or services used in the conduct or operation of the System that are owned by any Person other than Seller that will not be licensed or leased to Buyer under valid, current license arrangements or leases. None of the Excluded Assets are material to the System.

ARTICLE V.

REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer makes only the representations and warranties which are set forth in this Article V.

As a material inducement to the Seller to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer hereby represents and warrants to the Seller, as of the Effective Date and as of the Closing Date (except to the extent any of the following

representations and warranties specifically apply or relate to another date, in which event such representations and warranties shall be true and correct as of such other date), as follows:

Section 5.01. **Organization.**

The Buyer is duly organized, validly existing and in good standing under the laws of the state of its organization.

Section 5.02. **Authorization and Validity of Agreement.**

The Buyer has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof. This Agreement has been duly authorized, executed and delivered by the Buyer and constitutes a valid and legally binding obligation of the Buyer, enforceable against it in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

Section 5.03. **No Conflict or Violation.**

The execution and delivery of this Agreement by the Buyer, the consummation of the transactions contemplated hereby and the performance by the Buyer of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a material breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Buyer under (i) any applicable Law, (ii) any material agreement, instrument or document to which the Buyer is a party or by which it is bound or (iii) the articles, bylaws or governing documents of the Buyer.

Section 5.04. **Consents and Approvals.**

Except as set forth on Schedule 5.04, the execution and delivery of this Agreement by the Buyer, the consummation of the transactions contemplated hereby and the performance by the Buyer of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a material breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Buyer under (i) any applicable Law, (ii) any material agreement, instrument or document to which the Buyer is a party or by which it is bound or (iii) the articles, bylaws or governing documents of the Buyer.

Section 5.05. **Broker's and Finder's Fees.**

Buyer represents that no broker, finder or other Person is entitled to any commission or finder's fee in connection with this Agreement or the transactions contemplated by this Agreement.

Section 5.06. **Financial Wherewithal.**

Buyer represents that upon Closing, and after giving effect to the consummation of the transactions contemplated hereby and the incurrence of any indebtedness in connection therewith, Buyer will have the financial ability and will have sufficient working capital for its

needs and anticipated needs to operate the System as a certificated public utility system regulated by the PaPUC authorized, among things, to provide wastewater utility services to retail residential, commercial and industrial customers in the System.

Section 5.07. **Sufficient Funds.**

Buyer represents that Buyer will have sufficient funds available at Closing to consummate the transactions contemplated by this Agreement, to pay the Purchase Price in accordance with Article III and expenses related to the transactions contemplated by this Agreement, and on and after Closing, to generally provide ownership, operation and capital for the operations and capital needs of the System following the Closing, and assuring that the customers of the System will receive safe, adequate and reliable wastewater service at all times consistent with the provisions of the Pennsylvania Public Utility Code, 66 Pa. C. S. § 101 *et seq*, and applicable Law.

Section 5.08. **Independent Decision.**

Except as expressly set forth in this Agreement, or any of the related agreements, Buyer acknowledges that (a) neither Seller nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of the System or information provided to Buyer, and (b) neither Seller nor any other Person shall have or be subject to any liability to Buyer or any other Person resulting from the distribution to Buyer, or Buyer use of, any information regarding the System or Acquired Assets that has been furnished or made available to Buyer and its Representatives. Buyer acknowledges that other than as expressly set forth in this Agreement or any related agreement, Seller expressly disclaims any warranty of income potential, operating expenses, costs of operation, or uses or fitness for a particular purpose of any Acquired Assets or the System.

Section 5.09. **Scheduled Matters.**

Buyer acknowledges that: (a) the inclusion of any matter on any Schedule shall not necessarily be deemed an admission by Seller that such listed matter is material or that such listed matter has or could have a material adverse effect or constitutes a material liability with respect to the Acquired Assets; (b) matters reflected in the Schedules are not necessarily limited to matters required by this Agreement to be reflected in such Schedules; and (c) such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature.

Section 5.10. **Independent Investigation.**

Buyer acknowledges that it has conducted an independent investigation of the financial condition, assets, liabilities, properties and projected capital needs and operations of the System in making its determination as to the propriety of the transaction contemplated by this Agreement and, in entering into this Agreement and related agreements, has relied solely on the results of its investigation and on the representations and warranties of the Seller expressly contained in Article IV of this Agreement.

Section 5.11. **Litigation.**

The Buyer is not in breach of any applicable Law that could have a Material Adverse Effect on the operations of the System or the Buyer. Neither the Buyer nor any Affiliate of the Buyer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the United States Department of the Treasury, the Bureau of Industry and Security of the United States Department of Commerce or their successors, or on any other list of Persons with which the Seller or the City may not do business under applicable Law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. Except as set forth on Schedule 5.11, there is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Buyer, threatened against the Buyer prior to or at the Time of Closing, which will have a material adverse effect on (i) the transactions contemplated by this Agreement or (ii) the validity or enforceability of this Agreement.

ARTICLE VI.

TITLE TO REAL ESTATE; UCC STATEMENTS

Section 6.01. Evidence of Title.

Subject to Section 6.06, with respect to all Real Property, Buyer shall obtain, at its sole cost and expense, a commitment for an owner's policy of title insurance on the American Land Title Association's ("ALTA") Owner's Form 2006 (the "Title Commitment"), issued by a title insurance company selected by Buyer and licensed to insure title to real property by the Commonwealth of Pennsylvania (the "Title Company"), having an effective date after the Effective Date. Within a reasonable time after the Effective Date, Buyer shall order the Title Commitment from the Title Company and shall provide Seller evidence of the same. Notwithstanding anything to the contrary in Section 6.02(a) below, Buyer shall not be entitled to send an Objection Notice with respect to any parcel of Real Property and the Title Commitment for the same in the event until Buyer has ordered the Title Commitment from the Title Company for such parcel of Real Property and provided with Seller evidence of the same.

Section 6.02. Objections to Title.

(a) Notice of Objections. Within thirty (30) days of Buyer's receipt from the Title Company of a Title Commitment for any of the parcels of Real Property, Buyer shall deliver to Seller a true, correct and complete copy of the Title Commitment and true, correct, complete and legible copies of any and all exception documents listed in the same, along with Buyer's written notice to Seller of any of the exceptions to title set forth on Schedule B of such Title Commitment to which Buyer objects (such written notice of Buyer being referred to as the "Objection Notice") provided such exceptions (a) are not Permitted Liens, (b) pertain to the Buyer or any requirements, conditions or obligations of the Buyer, (c) are matters of record and set forth in the Title Commitment and materially and adversely restrict or prevent the use of the Real Property in the operation of the System and (d) are not standard Title Company exceptions (such as the "survey" exception) (such exceptions objected to in the Objection Notice, provided the same are not as described in (a) through and including (d) aforesaid, being referred to as the "Title Objection Items"). Any Objection Notice which does not include a true, correct and complete copy of the Title Commitment and true, correct, complete and legible copies of any and

all exception documents listed in the same shall not be effective for any purpose. In the event that Buyer provides the Seller with an Objection Notice, the Seller shall use commercially reasonable efforts to have all of the Title Objection Items cured, satisfied or released of record, or insured over, by the Title Company (individually, "Cure" and collectively, "Cured") prior to or as of the Closing. At or prior to the Closing, the Seller shall deliver written evidence to Buyer, in form and substance reasonably satisfactory to Buyer, evidencing that Seller has Cured all such Title Objection Items. For avoidance of doubt, Buyer acknowledges that no item listed in clauses (a) through and including (d) aforesaid, may be objected to by Buyer as a Title Objection Item.

(b) Liens. Without limiting the Seller's obligations pursuant to Section 6.02(a) above, prior to or as of the Closing, the Seller shall be obligated, at its sole cost and expense, to Cure any Lien encumbering the Real Property which can be Cured by the payment of money (other than Permitted Liens).

(c) Title Endorsements/Survey. Any endorsements required by the Buyer or any mortgagee of the Buyer to Buyer's title policy shall be paid for solely by Buyer. In the event any survey is required by Buyer or its mortgagee, either as a condition to any such endorsement or otherwise, the same shall be obtained solely at Buyer's cost and expense. In the event Buyer obtains a survey of any or all of the Real Property and desires the deed to contain the legal description based on such survey, if the same is not identical to the legal description contained in Seller's deed of record, Seller shall not be obligated to include the same in the deed to buyer unless the survey is certified to Seller and such description is included in the deed on a "quitclaim" basis only and without warranty of title.

(d) License at Closing. Seller shall provide Buyer with a license agreement granting Buyer a license in all of Seller's rights to access such Real Property in order to allow Buyer to operate and maintain the System until such time as Buyer is provided title to such Real Property as provided for in this Agreement. For the avoidance of doubt, Seller shall provide such title as soon as reasonably practicable in accordance with Section 6.01.

(e) Insurable Claims. To the extent any Claim for Losses under Article VIII constitutes an Insurable Claim (as defined herein), Buyer agrees to assert and pursue with reasonable diligence such Insurable Claim against the Title Company (which shall include commencing litigation and diligently prosecuting such Insurable Claim to judgment) prior to pursuing a Claim for Losses under Article VIII. If at any time following a non-favorable judgment that substantially denies the relief sought by Buyer from the Title Company in connection with the Insurable Claim (each a "Non-Favorable Judgment"), Buyer shall be permitted, following such Non-Favorable Judgment, to pursue Seller with a Claim for Losses under Article VIII (any such Claim against Seller following an attempted Insurable Claim against the Title Company being a "Residual Title Claim"). Notwithstanding anything to the contrary in Article VIII, Buyer shall have the right to assert a Claim for Losses based upon a Residual Title Claim for a sixty (60) day period after the Non-Favorable Judgment. For purposes of this Section 6.02(c), an "Insurable Claim" shall mean a Claim that: (i) arises out of Buyer's discovery of a title defect or encumbrance with respect to any of the Real Property following the Closing that materially restricts or prevents the use of such Real Property in the operation of the

System; and (ii) constitutes a claim against the Title Company under Buyer's Title Policy. Buyer acknowledges that any and all Claims which Buyer could otherwise bring as a breach of a covenant of title under the special warranty deed to the Real Property shall be included within the Claim for Losses under Article VIII and is subject to the terms of this Section 6.02(e) of first pursuing the same as an Insurable Claim.

Section 6.03. **Title Expenses.**

Irrespective of whether the transactions described by this Agreement are consummated and Closing occurs, all costs and expenses of obtaining the Title Commitment, Title Policy and any survey shall be paid by Buyer.

Section 6.04. **UCC Search; Releases.**

Not later than sixty (60) days after the Effective Date, Buyer shall obtain at its sole cost and expense a Uniform Commercial Code search against Seller covering any of the personal property or fixtures included among the Acquired Assets from the Office of the Secretary of the Commonwealth of Pennsylvania and the Recorder of Allegheny County, Pennsylvania (the "UCC Search"). On or prior to the Closing, Seller shall at its sole cost and expense obtain releases of any and all security interests in any of the Acquired Assets which are not Permitted Liens. The form of the releases of such security interests shall be provided by the Seller to Buyer on or prior to the Closing Date.

Section 6.05. **Easements.**

(a) Prior to the Closing, the Seller will, at its sole cost and expense, cause an abstractor selected by the Seller and reasonably acceptable to Buyer and the Title Company (the "Abstractor"), to perform, at the Seller's sole cost and expense, a search of the public land records of Allegheny County, based on the Seller's records and plans of the System (and such other sources of information as are reasonably related thereto), by means of searching the grantee index in the names of the City and the Seller and such other searches as the Abstractor may reasonably make, to (i) identify and provide Buyer with title information on any and all recorded Easements, and (ii) together with the Seller, identify all Missing Easements. During such process, as the Abstractor provides written search results to Seller (including updated versions of the Abstractor Search Result Chart), the Seller will promptly provide the same to Buyer for its review, and, without limiting the foregoing, the Seller shall, or shall cause the Abstractor to, provide Buyer with periodic updates (which shall occur no less frequently than bi-weekly) on the status of the activities set forth in the previous sentence.

(b) In the event that during the process of Abstractor's review and investigation of the Allegheny County land records, Seller determines, based on the Abstractor's investigation, that there is a Missing Easement, the Seller shall take any and all actions (including the use of its power of condemnation) to obtain any such Missing Easements so that the same may be sold, assigned, transferred and conveyed to Buyer at the Closing pursuant to the terms and conditions of this Agreement. All costs and expenses incurred in connection with obtaining each Missing Easement (including any consideration payable to the landowner in connection with condemnation, in lieu of condemnation or otherwise to obtain Missing Easements) shall be paid

by the Seller. In the event Seller has not obtained all Missing Easements by the date that is sixty (60) days after the date that Abstractor has completed his review of the County land records and delivered the last results of the same to Seller (the "Abstract Completion Date"), then, no later than thirty (30) days after the Abstract Completion Date (but in any event no later than thirty (30) days prior to the Closing), the Seller shall commence and file in the Court of Common Pleas, Allegheny County, a condemnation or eminent domain proceeding to obtain any and all such Missing Easements. For the purposes of clarity, upon obtaining each Missing Easement (including upon the final resolution of a condemnation proceeding), each Missing Easement that has been acquired or obtained by the Seller shall be considered an Easement.

(c) With respect to any Easement that is described in clause (b) above, the Seller shall complete the condemnation proceedings with respect to such Easement at its sole cost and expense following the Closing and pay costs related to the taking of such Easement. With respect to any Easement that is described in clause (b) above, Seller shall provide Buyer with a license permitting it access to all such property in order to permit Buyer to operate and maintain the System until such time as same may be sold, assigned, transferred and conveyed to Buyer.

Section 6.06. **Unscheduled Property.**

The Parties acknowledge that the Seller may own interests in or have the legal right to use or occupy the Real Property that is necessary or essential to the operation of the System and that is not specifically identified in Schedule 4.09 (the "Unscheduled Real Property"). If the Parties discover prior to or after the Closing Date, one or more parcels of Unscheduled Real Property, the discovering Party shall give written notice of such discovery to the non-discovering Party. In addition to its obligations in Section 2.03, Seller shall convey, assign or otherwise transfer any rights to each parcel of, or interest in Unscheduled Real Property in such a manner, including by license from Seller to Buyer, as to provide Buyer with reasonable assurances that Buyer shall have the right to use or occupy the Unscheduled Real Property as it was used by Seller as of the Effective Date.

ARTICLE VII.

OTHER AGREEMENTS

Section 7.01. **Taxes**

Except as hereinafter provided, the Seller shall pay any and all Taxes, if any, arising out of the ownership of the Acquired Assets and out of the operation of the System before the Closing. Notwithstanding the prior sentence, any special assessments on the Real Property incurred prior to the Closing Date, whether or not currently due and payable, shall be paid by the Buyer in accordance with their terms.

Section 7.02. **Cooperation on Tax Matters.**

The Seller shall furnish or cause to be furnished to Buyer, as promptly as practicable, whether before or after the Closing Date, such information and assistance relating to the System as is

reasonably necessary for the preparation and filing by Buyer of any filings relating to any Tax matters.

Section 7.03. **Personnel Matters.**

(a) Subject to the obligations of Seller under the Collective Bargaining Agreement and applicable Law and Buyer's obligations set forth in Section 7.03(h) below with respect to Union Personnel, Buyer shall, or shall cause an Affiliate of Buyer to, offer employment effective on the Closing Date, to the Personnel set forth in Schedule 7.03(a), subject to Buyer's existing standard hiring policies and procedures applicable to new employees, except with respect to benefits as otherwise provided in Section 7.03(c). The Personnel who accept such employment and commence employment on the Closing Date, shall be referred to in this Agreement as the "Transferred Personnel."

(b) Subject to the obligations of Seller under the Collective Bargaining Agreement and applicable Law and Buyer's obligations set forth in Section 7.03(h) below with respect to Union Personnel, Transferred Personnel who are Non-Union Personnel shall be employees-at-will of Buyer. Buyer shall provide each of the Transferred Personnel who are Non-Union Personnel compensation and benefits which are substantially comparable to the compensation and benefits then provided to similarly situated employees of Buyer.

(c) Subject to the obligations of Seller under the Collective Bargaining Agreement and Law and Buyer's obligations set forth in Section 7.03(h) below with respect to Union Personnel, with respect to any employee benefit plan maintained by Buyer or an Affiliate of Buyer for the benefit of any Transferred Personnel, effective as of the Closing, Buyer shall, or shall cause its Affiliate to, recognize all service of the Transferred Personnel with Seller, as if such service were with Buyer for eligibility and vesting.

(d) Subject to the obligations of Seller under the Collective Bargaining Agreement and applicable Law and Buyer's obligations set forth in Section 7.03(h) below with respect to Union Personnel, effective as of the Closing, the Transferred Personnel who are Non-Union Personnel shall cease active participation in the Seller's Plans. Seller shall remain liable for all eligible claims for benefits under the Seller's Plans that are incurred by the Non-Union Personnel prior to the Closing Date. Subject to the obligations of Seller under the Collective Bargaining Agreement and applicable Law and Buyer's obligations set forth in Section 7.03(h) below with respect to Union Personnel, Seller shall remain liable to make any contributions to Seller's Plans related to, and/or to fund any retirement benefits accrued by, the Transferred Personnel prior to Closing.

(e) This Section 7.03 shall be binding upon and inure solely to the benefit of each of the Parties to this Agreement, and nothing in this Section 7.03, express or implied, shall confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Section 7.03. The Parties acknowledge and agree that the terms set forth in this Section 7.03 shall not create any right in any Transferred Personnel or any other Person to any continued employment with Buyer or any of its Affiliates or compensation or benefits of any nature or kind whatsoever, and shall not be deemed to restrict Buyer in the exercise of its independent business judgment in establishing or modifying any of the terms or conditions of the employment of the

Transferred Personnel. Nothing contained in this Section 7.03 shall constitute an amendment of, or an undertaking to amend, any employee benefit plan, program or arrangement maintained by Buyer or its Affiliates or is intended to prevent Buyer or its Affiliates from amending or terminating any such employee benefit plan, program or arrangement in accordance with its terms.

(f) Notwithstanding anything in this Agreement to the contrary, it is expressly understood that Buyer will not acquire any asset, or assume any liability or obligation in connection with the transactions contemplated by this Agreement relating to any of the Seller's Benefit Plans, Seller's Benefit Obligations. Seller shall be solely responsible for any liability, funding obligation, claim or expense arising from the Seller's Plans, Seller's Benefit Obligations, both prior to, and after, the Closing Date, except as provided in Section 7.03(c).

(g) No later than the Closing Date, Seller shall transfer all records pertaining to the employment of the Transferred Personnel to Buyer including, but not limited to, all personnel and human resources Files and Records.

(h) Prior to the Closing, Buyer shall bargain in good faith with the Union regarding amendments to the Collective Bargaining Agreement that are intended to allow Buyer and the Union to enter into an amended Collective Bargaining Agreement in a form that is consistent with Buyer's existing compensation and benefits strategy (the "Amended CBA"). Buyer shall offer to provide Union Personnel Substantially Comparable Compensation and Benefits in the aggregate. In the event that Buyer and the Union do not reach an agreement on the terms of an Amended CBA prior to the Closing Date, Buyer shall have the right to set the initial terms and conditions of employment of the Union Personnel, and Buyer shall recognize and bargain with the Union in good faith to reach agreement on the terms of a successor agreement to the Collective Bargaining Agreement.

Section 7.04. **Certain Restrictions; Right of First Refusal; PaPUC Regulation.**

(a) Buyer hereby acknowledges and agrees that for a period of ten (10) years following the Closing Date (the "ROFR Period"), the Seller (or any Person to which the Seller assigns its rights under this Section 7.04) shall have a right of first refusal with respect to a Sale Transaction, as set forth in this Section 7.04(f).

(b) Buyer agrees that it shall not enter into a Sale Transaction except as provided in this Section 7.04. Upon receipt of a bona fide Proposal by Buyer or any Affiliate of Buyer, which Buyer or any Affiliate of Buyer desires to consider, the Buyer shall provide a written notice of such Proposal (the "Proposal Notice") to Seller no later than one Business Day after receipt of such Proposal. The Proposal Notice shall include (i) a true and correct copy of the Proposal, including all schedules, exhibits and ancillary documents related thereto and (ii) the expected date of consummation of the Sale Transaction. Immediately after delivering the Proposal Notice to Seller, Buyer shall provide Seller and its representative's access to, and, if requested, copies of, the information and other diligence materials that have been supplied to any third party or any third party's representatives in connection with the Sale Transaction. Upon receipt of a Proposal Notice, Seller shall have the irrevocable and exclusive option, at its sole discretion, to become, or to have any of its Affiliates or other designee become the purchaser

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with respect to the Sale Transaction on substantially the same financial terms as provided in the Proposal. If Seller elects to become, or to have any of its Affiliates or designee become, the purchaser, Seller shall deliver a written notice (the "Seller Proposal Notice") to Buyer of such election within ninety Business Days of its receipt of the Proposal Notice (such ninety Business Day period, the "Sale Proposal Review Period"). Upon receipt by the Buyer of a Seller Proposal Notice, Buyer shall not, and shall not permit any Affiliate of Buyer or other Buyer designee to, enter into or agree to the Proposal and shall enter into an agreement with Seller or any of its Affiliates (as designated by Seller) on substantially the same financial terms and containing substantially the same representations and warranties, exclusivity (including any no-shop or other similar provisions) and indemnities in favor of Seller or any of its Affiliates (as designated by Seller) as provided in the Proposal.

(c) With respect to each Proposal for which Buyer received a Proposal Notice and for which Buyer complied with all of the applicable procedures and requirements of this Section 7.04 (the "Noticed Proposal"), in the event that Seller does not deliver a Seller Proposal Notice to Buyer prior to the expiration of the applicable Sale Proposal Review Period, then, and only then, Buyer and Buyer's Affiliates, as applicable, shall be free, for a period of 60 days following expiration of the applicable Sale Proposal Review Period (the "Noticed Proposal Period"), to enter into a definitive agreement with respect to the Sale Transaction contemplated in such Noticed Proposal with the Person or Persons subject of such Noticed Proposal on terms and conditions substantially similar to, and in any event not more favorable in any material respect to such Person or Persons than, the terms and conditions described in the Noticed Proposal; provided, however, that no such definitive agreement shall provide for the payment of any fees and expenses, including any termination or break-up fees, or any similar provisions with any Person with respect to Seller's rights hereunder with respect to a new Proposal resulting from a material change (as described in Section 7.04(d)) or that otherwise imposes limitations or restrictions on the ability of Buyer or any of its Affiliates to comply with all of the terms of this Section 7.04.

(d) If, during a Sale Proposal Review Period or a Noticed Proposal Period, any change or amendment to the applicable Proposal or Noticed Proposal is made that individually or in the aggregate with any other changes or amendments, are more favorable in any material respect to the purchaser or purchasers, then such Proposal or Noticed Proposal as changed or amended shall constitute a new Proposal subject to the terms and conditions of this Section 7.04.

(e) Buyer acknowledges and agrees that irreparable damage would occur and Seller would not have an adequate remedy at law in the event that any of the provisions of this Section 7.04 were not performed by them in accordance with their specific terms or were otherwise breached, and that monetary damages, even if available, would not be an adequate remedy therefor, and therefore fully intend for specific performance to be the principal remedy for breaches of this Section 7.04. It is accordingly agreed that Seller shall be entitled to an injunction or injunctions to prevent breaches of this Section 7.04 and to enforce specifically the performance of terms and provisions of this Section 7.04 without proof of actual damages, this being in addition to any other remedy to which Seller and/or its designee are entitled at law or in equity. Buyer further agrees not to assert that a remedy of specific performance is unenforceable, invalid, contrary to applicable Law or inequitable for any reason, nor to object to a remedy of

specific performance on the basis that a remedy of monetary damages would provide an adequate remedy for any such breach.

(f) Seller's rights and obligations under this Section 7.04 may be assigned (in whole, but not in part) by Seller solely to a Governmental Authority at any time prior to the earlier of the expiration of the ROFR Period or the execution by Buyer of a definitive agreement with respect to a Sale Transaction with any Person other than the Seller (subject to Buyer's compliance with the terms of this Section 7.04); provided that Seller shall deliver to Buyer written notice of any such assignment prior to the effectiveness of such assignment. For the avoidance of doubt, each reference to "the Seller" in this Section 7.04 shall mean Seller or any Person to which Seller assigns its rights under this Section 7.04 in compliance with this Section.

Section 7.05. **Rates.**

(a) Rates. Buyer shall implement Seller's sanitary wastewater base rates then in effect at Closing as Buyer's effective sanitary wastewater rates, provided such rates shall not be lower than those in effect on the date this Agreement is executed. These rates are reflected on Schedule 7.05(a).

(b) Rate Stabilization. After Closing, Buyer shall begin charging Seller's current rates (as reflected on Schedule 7.05(a)) as its base rates (but not other charges, including those set forth below) as Buyer's base rates within the Service Territory, which base rates the Parties agree shall not be increased until after the first anniversary of the Closing Date (the "Stabilization Period").

During the Stabilization Period, Buyer may seek approval from the PaPUC to increase these rates. Seller acknowledges and agrees that during the Stabilization Period rates for other pass-through costs or charges imposed by the legislature of the Commonwealth of Pennsylvania, including, but not limited to, Distribution System Improvement Charges or State Tax Adjustment Surcharges, may be subject to increase, and that only the base rates shall remain constant during the Stabilization Period.

(c) The rate provisions of Sections 7.05(a) and (b) shall be part of the Buyer's requested PaPUC Governmental Approval and shall be expressly incorporated into a final PaPUC approval.

Section 7.06. **Buyer Taxpayer.**

From and after the Closing Date, Buyer acknowledges that, upon conveyance of the Acquired Assets to Buyer, the Buyer will be subject to, among other Taxes, real estate Taxes, which shall be paid by Buyer.

Section 7.07. **Outstanding Indebtedness.**

Buyer has the option, upon reasonable advance written notice to Seller, in lieu of paying in full the total amount of Outstanding Indebtedness, to assume any of Seller's obligations under other Outstanding Indebtedness which may be assumed. Buyer shall also obtain a release of all of Seller's obligations under the assumed Outstanding Indebtedness on or before Closing.

Section 7.08. PaPUC Approval.

Commencing on the Effective Date, Buyer covenants and agrees to timely initiate and faithfully prosecute the necessary proceedings to obtain from the PaPUC (i) the issuance of certificates of public convenience to Buyer to provide wastewater services in the Service Area and (ii) the approval of the acquisition of the System by Buyer under terms and conditions that are reasonably acceptable to Seller and Buyer. Seller shall cooperate with and assist the Buyer in proceedings before the PaPUC. Buyer and Seller hereby agree that the procedures for determining fair market value of the System and Acquired Assets outlined in Section 1329(a) of Title 66 of the Pennsylvania Consolidated Statutes shall be utilized and filed with the PaPUC as contemplated by Section 1329(c) of Title 66 of the Pennsylvania Consolidated Statutes. Nothing contained herein shall be construed to limit or prevent Buyer from making arguments to the Commission for separate approval of the Deposit Note, regardless of the status of approval of this Agreement. The Seller and the City shall at their own expense cooperate in any such separate filing by the Buyer.

Section 7.09. Remedies for Breach of Article VII Agreements.

In the event of a breach by Buyer of any of the covenants and agreements set forth in this Article VII, in addition to all other rights and remedies available at law or in equity, including specific performance and/or injunctive relief, Seller shall also be entitled to commence proceedings before the PaPUC seeking enforcement of such covenants and agreements.

Section 7.10. Operation and Maintenance of the MS4 System.

Subject to applicable Law, the Authority, the City, Port Vue Borough, the City of Duquesne, Pennsylvania and the Borough of Dravosburg, Pennsylvania as the case may be, shall at all times maintain ownership of their respective MS4 System and Stormwater System Assets. The Authority or the City as the case may be will maintain the City NPDES Permits. The Buyer and, as the case may be, the Authority or the City will cooperate in the future on projects where the Buyer elects to or is mandated by Law to separate the storm water and waste water flows on certain segments of the Combined Sewer System, with the Buyer retaining the waste water assets and contributing to the Authority or the City as the case may be the storm water assets. All costs and expenses associated with such separation of the storm water and waste water flows on certain segments of the Combined Sewer System shall be paid by the Buyer.

Section 7.11. System and Combined Sewer System Assets.

As soon as practicable after the Effective Date, the Seller shall provide Buyer with a current map that depicts all easements of which Seller has Knowledge relating to the System, and a current list of Combined Sewer System Assets, which shall be subject to verification and confirmation by Buyer.

Section 7.12. Insurance.

To the extent that the Seller (with respect to the System or any Acquired Assets), the System or any Acquired Assets were insured under any occurrence-based insurance policies of the Seller

prior to the Closing Date, following the Closing, at Buyer's written request, the Seller shall make claims under such policies with respect to occurrences, events, conditions, or circumstances to the extent relating to the System or any Acquired Asset that occurred or existed prior to the Closing. The Seller does not represent, warrant or covenant that (i) such insurance policies will provide coverage for any claims reported after the Closing that Buyer may elect to make, (ii) issuers of such policies will not wrongfully refuse to honor any such claims, or (iii) it will maintain any such insurance policies following the Closing Date. The Seller shall provide reasonable assistance to Buyer (at Buyer's sole cost and expense) in connection with the tendering of such claims to the applicable insurers under such insurance policies, including providing Buyer with a copy of the applicable policy following the request of Buyer. The Seller shall remit any recoveries with respect to any claims asserted by Buyer under any such insurance policies in excess of reasonable costs of recovery of the Seller including deductibles and the amount of any increased premiums retroactively applied as a result of the payment by the applicable insurers of such claims, or any increases in premiums for the year following the year in which any such claims were paid by the applicable insurers, in either case to the extent the Seller can demonstrate to Buyer that the amount of any such increased premiums was attributable to such claims. In the event of any dispute regarding the date of any loss or occurrence, the terms of the applicable policies shall govern.

ARTICLE VIII.

INDEMNIFICATION

Section 8.01. Survival.

All representations and warranties contained in this Agreement shall survive until the Escrow Release Date, except that (a) the representations and warranties of the Seller set forth in Section 4.01 (Organization), Section 4.02(Power and Authority), Section 4.03 (Enforceability), Section 4.13 (Environmental Compliance) and Section 4.17 (Brokers' and Finders' Fees) (collectively, the "Seller Fundamental Representations") shall survive the Closing indefinitely or until the latest date permitted by applicable Law, and (b) the representations and warranties of Buyer set forth in Section 5.01 (Organization), Section 5.02 (Authorization and Validity of Agreement), and Section 5.05 (Brokers' and Finders' Fees) (collectively, the "Buyer Fundamental Representations") shall survive the Closing indefinitely or until the latest date permitted by applicable Law. The covenants and agreements of the Parties contained herein shall survive the Closing indefinitely or for the shorter period explicitly specified therein, except that for such covenants and agreements that survive for such shorter period, breaches thereof shall survive indefinitely or until the latest date permitted by applicable Law. Notwithstanding the preceding sentences, (x) any breach of representation, warranty, covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentences, if notice of the inaccuracy or breach thereof giving rise to such right of indemnity shall have been given to the party against whom such indemnity may be sought prior to such time, and (y) nothing contained in this Section 8.01 shall limit in any way any rights a Party may have to bring claims grounded in fraud, intentional misrepresentation or willful misconduct, which rights shall survive the Closing indefinitely.

Section 8.02. Indemnification by the Seller.

To the maximum extent permitted by applicable Law and subject to the terms and conditions of this Article VIII, each of the Seller and the City agrees to indemnify, defend and hold harmless, Buyer and its successors and Affiliates and their respective employees, officers, directors, trustees and agents (the "Buyer Indemnified Persons"), from and against any and all claims for Losses arising from or relating to: (a) any material misrepresentation as to, or any material inaccuracy in, any of the representations and warranties of the Seller or, where applicable, the City contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by the Seller or, where applicable, the City prior to the Closing pursuant to this Agreement (without regard to any materiality, Material Adverse Effect or related qualifications in the relevant representation or warranty (except where such provision requires disclosure of lists of items of a material nature or above a specified threshold)); (b) any material breach or material nonfulfillment of any of the covenants or agreements of the Seller or, where applicable, the City contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by the Seller or the City prior to the Closing pursuant to this Agreement; or (c) any Excluded Liability or Excluded Asset.

Section 8.03. Indemnification by Buyer.

To the maximum extent permitted by applicable Law and subject to the terms and conditions of this Article VIII, Buyer agrees to defend, indemnify and hold harmless the Seller or, where applicable, the City and its successors and Affiliates and each of their respective employees, officers, directors and agents (the "Seller Indemnified Persons") from and against any and all claims for Losses arising from or relating to: (a) any material misrepresentation as to, or any material inaccuracy in, any of the representations and warranties of Buyer contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by Buyer pursuant to this Agreement; (b) any material breach of any of the covenants or agreements of Buyer contained in this Agreement or in any exhibit, schedule certificate or other instrument or document furnished or to be furnished by the Buyer pursuant to this Agreement; (c) any Assumed Liability as and when payment and performance is due, including without limitation any liability related to any claims by any Governmental Authority; (d) Buyer's actions involving Environmental Laws, Hazardous Materials or environmental claims from and after the Closing Date; or (e) the ownership, operation or control of the Acquired Assets or the System from and after the Closing Date.

Section 8.04. Indemnification Procedure.

(a) **Third Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any Person who is not a party to this Agreement (or a successor to a Party to this Agreement) (a "Third Party Claim") against such Indemnified Party with respect to which the Indemnifying Party may be obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits material rights or material defenses by reason of such failure. Such notice by the Indemnified Party shall describe

the Third Party Claim in reasonable detail and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party (and subject to the other requirements herein) to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel (which counsel shall be reasonably acceptable to the Indemnified Party), so long as (i) the Indemnifying Party notifies the Indemnified Party, within ten (10) Business Days after the Indemnified Party has given notice of the Third Party Claim to the Indemnifying Party (or by such earlier date as may be necessary under applicable procedural rules in order to file a timely appearance and response) that the Indemnifying Party is assuming the defense of such Third Party Claim, provided, that if the Indemnifying Party assumes control of such defense it must first agree and acknowledge in such notice that the Indemnifying Party is fully responsible (with no reservation of any rights other than the right to be subrogated to the rights of the Indemnified Party) for all Losses relating to such Third Party Claim, (ii) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently and at its own cost and expense, and (iii) the Third Party Claim (A) does not involve injunctive relief, specific performance or other similar equitable relief, any claim in respect of Taxes, any Governmental Authority, any criminal allegations, or any potential damage to the goodwill, reputation or overriding commercial interests of Buyer or its Affiliates, (B) is not one in which the Indemnifying Party is also a party and joint representation would be inappropriate or there may be legal defenses available to the Indemnified Party which are different from or additional to those available to the Indemnifying Party, or (C) does not involve a claim which, upon petition by the Indemnified Party, the appropriate court rules that the Indemnifying Party failed or is failing to vigorously prosecute or defend. The Indemnified Party shall reasonably cooperate in good faith in such defense. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to Section 8.04(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right, at its own cost and expense, to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may, subject to Section 8.04(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. The Seller and Buyer shall reasonably and in good faith cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(b) Settlement of Third Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into or agree to settlement of any Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed), except as provided in this Section 8.04(b). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or

other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give prompt written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within fifteen (15) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 8.04(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any claim by an Indemnified Party with respect to any Loss which do not arise or result from a Third Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits material rights or material defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail and shall indicate the estimated amount, if reasonably practicable, of the Losses that have been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. During such thirty (30) day period, the Indemnified Party shall reasonably cooperate and assist the Indemnifying Party in determining the validity and amount of such Direct Claim. If the Indemnifying Party does not so respond within such thirty (30) day period, by delivery of written notice disputing the basis or amount of the Direct Claim, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement. If the Indemnifying Party has timely disputed its indemnity obligation for any Losses with respect to such Direct Claim, the Parties shall proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, such dispute shall be resolved by litigation in an appropriate court of jurisdiction determined pursuant to this Agreement.

Section 8.05. **Limitations on Indemnification Obligations.**

(a) Subject to the other limitations contained in this Section 8.05, neither Buyer nor Buyer Indemnified Persons shall be entitled to indemnification pursuant to Section 8.02(a) (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by Buyer and Buyer Indemnified Persons under this Agreement exceeds Seven Hundred Fifty Thousand Dollars (\$750,000) in the aggregate (the "Threshold Amount"), in which case Seller shall then be liable for Losses in excess of the Threshold Amount; provided, however, that the foregoing limitations contained in this Section

8.05(a) shall not apply to any claims for indemnification based on fraud, intentional misrepresentation or willful misconduct.

(b) Subject to the other limitations contained in this Section 8.05, neither Seller nor the Seller Indemnified Persons shall be entitled to indemnification pursuant to Section 8.03(a) (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by Seller and Seller Indemnified Persons under this Agreement exceeds the Threshold Amount, in which case Buyer shall then be liable for Losses in excess of the Threshold Amount; provided, however, that the foregoing limitations contained in this Section 8.05(a) shall not apply to any claims for indemnification based on fraud, intentional misrepresentation or willful misconduct.

(c) Except in the case of fraud, intentional misrepresentation or willful misconduct (for which all applicable legal and equitable remedies will be available to Buyer), the Buyer Indemnified Parties shall only be entitled to assert claims under Section 8.02(a) (other than claims with respect to breaches of any of the Seller Fundamental Representations, which shall not be limited by this Section 8.05(c)) against the Escrow Funds up to the aggregate amount of the Escrow Amount (the "Liability Cap"), which shall represent the sole and exclusive remedy of Buyer and the other Buyer Indemnified Parties for any such claims under Section 8.02(a) (other than claims with respect to breaches of any of the Seller Fundamental Representations or in the case of fraud, intentional misrepresentation or willful misconduct which shall not be subject to the Liability Cap, but shall be capped at the Purchase Price). In the case of Losses to which a Buyer Indemnified Party is entitled (i) pursuant to Section 8.02(a) with respect to breaches of any Seller Fundamental Representations, (ii) pursuant to any clause of Section 8.02(b) or Section 8.02(c), or (iii) in the event of fraud, intentional misrepresentation or willful misconduct, Buyer shall first seek recourse for such Losses from the Escrow Funds.

(d) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Loss shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received or reasonably expected to be received by the Indemnified Party in respect of any such claim. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses prior to seeking indemnification under this Agreement.

(e) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Loss shall be reduced by an amount equal to any Tax benefit realized or reasonably expected to be realized as a result of such Loss by the Indemnified Party.

(f) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

(g) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be

reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(h) Subject to the provisions of Sections 3.02, 7.04(e), 7.06, 15.11 and any other provisions for equitable relief and/or specific performance, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article VIII. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other Party hereto and their Affiliates and each of their respective representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this Article VIII. Nothing in this Section 8.05(h) shall limit any Person's right to seek and obtain any equitable relief and/or specific performance to which any Person shall be entitled pursuant to this Agreement or for any claim grounded in fraud.

Section 8.06. **Knowledge of Breach.**

Seller shall not be liable under this Article VIII for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement if Buyer had Knowledge of such inaccuracy or breach prior to the Closing.

ARTICLE IX.

PRE-CLOSING COVENANTS OF THE SELLER

Section 9.01. **Operation of the System.**

Except as otherwise expressly permitted by this Agreement, as required by applicable Law or with the prior written consent of Buyer (which consent shall not be unreasonably withheld, delayed or conditioned), from the Effective Date until the Closing, the Seller shall (i) operate and manage the System only in the ordinary course of business in accordance with past practices and procedures, (ii) comply in all material respects with all applicable Laws and Authorizations and Permits, and (iii) use commercially reasonable efforts to maintain and preserve intact the business and assets of the System and preserve the rights, franchises, goodwill and relationships of the Seller and the System and their customers, lenders, suppliers, regulators and others having business relationships with the Seller and the System.

Section 9.02. **Cooperation.**

Seller shall reasonably cooperate with Buyer and its employees, attorneys, accountants and other agents and, generally, act in reasonably good faith to timely effectuate the purposes of this Agreement and the consummation of the transactions contemplated by this Agreement.

Section 9.03. **Supplements and Updates.**

The Seller shall promptly deliver to Buyer any supplemental information updating the information set forth in the representations and warranties set forth in Article IV of this Agreement so that such representations and warranties as supplemented by such information will be true and correct as of the Closing Date (or such other date as provided in such representations and warranties) as if then made. At least three (3) Business Days prior to the Closing Date, the Seller shall advise Buyer of any facts which would constitute a breach of a representation or warranty as of the date made or a default in a covenant contained herein.

Section 9.04. Governmental Approvals.

Promptly after the execution of this Agreement, or as required by Law, except as provided in Section 7.08 or otherwise expressly provided herein, the Seller shall file all applications and reports that are required to be filed by Seller with any Governmental Authority as provided on Schedule 4.05 to the Buyer. Seller shall also promptly provide all information that any Governmental Authority may require in connection with any such application or report. The Seller shall use all commercially reasonable efforts to obtain all consents and approvals of any kind from any person in connection with the transactions contemplated hereby. All authorizations of any Governmental Authority necessary to consummate the transactions contemplated by this Agreement shall have been obtained in form and content reasonably satisfactory to Buyer and the Seller prior to Closing and shall be final and non-appealable. An authorization issued by the PaPUC shall be considered final and non-appealable if no party to the PaPUC proceeding challenged issuance of the requested authorization at the time it was granted by the PaPUC. In the event a party to the PaPUC proceeding appeals PaPUC authorization of the transaction, the Buyer and Seller may still mutually agree to proceed to consummate the transaction.

ARTICLE X.

PRE-CLOSING COVENANTS OF BUYER

Buyer covenants and agrees to comply with the following provisions:

Section 10.01. Actions Before the Closing Date.

Buyer shall not take any action which shall cause it to be in breach of any representation, warranty, covenant or agreement contained in this Agreement or cause it to be unable to perform in any material respect its obligations hereunder, and Buyer shall use commercially reasonable best efforts (subject to any conditions set forth in this Agreement) to perform and satisfy all conditions to Closing to be performed or satisfied by Buyer under this Agreement, including action necessary to obtain all consents and approvals of third parties required to be obtained by Buyer to effect the transactions contemplated by this Agreement.

Section 10.02. Governmental Approvals.

Promptly after the execution of this Agreement, or as required by Law, except as otherwise expressly provided herein, Buyer shall file all applications and reports which are required to be filed by Buyer with any Governmental Authority as provided on Schedule 5.04. Buyer shall also

promptly provide all information that any Governmental Authority may reasonably require in connection with any such application or report. Buyer shall use all commercially reasonable efforts to obtain all required consents and approvals of any kind from any person in connection with the transactions contemplated hereby.

Section 10.03. Cooperation.

Buyer shall reasonably cooperate with the Seller and their employees, attorneys, accountants and other agents and, generally, do such other acts and things in good faith as may be reasonable to timely effectuate the purposes of this Agreement and the consummation of the transactions contemplated in accordance with the provisions of this Agreement.

Section 10.04. Supplements and Updates.

Buyer shall promptly deliver to the Seller any supplemental information updating the information set forth in the representations and warranties set forth in Article V of this Agreement so that such representations and warranties as supplemented by such information will be true and correct as of the Closing Date (or such other date as provided in such representations and warranties) as if then made. At least three (3) Business Days prior to the Closing Date, Buyer shall advise the Seller of any facts which would constitute a breach of a representation or warranty as of the date made or a default in a covenant contained herein.

ARTICLE XI.

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLER

The obligation of the Seller to consummate the transactions provided for in this Agreement is subject to the satisfaction, at or before the Closing, of the following conditions, any one or more of which may be waived in writing by the Seller in its sole discretion:

Section 11.01. Consents and Approvals.

(a) Receipt of all required material, non-governmental third party consents and any other approvals necessary to consummate the transactions contemplated by this Agreement set forth in Schedule 11.01(a);

(b) The PaPUC shall have issued a Final Order approving the transactions contemplated hereby; and

(c) Receipt of any required environmental and other Governmental Approvals required for transfer and operation of the System by Buyer, with terms and conditions reasonably acceptable to Buyer, including without limitation all required EPA and PaDEP approvals.

Section 11.02. Representations and Warranties of Buyer.

The representations and warranties made by Buyer in Article V which are (a) not qualified by materiality shall be true and correct in all material respects on and as of the Closing Date (except for representations or warranties that speak of a specific date or time other than the Closing Date

which shall be true and correct in all material respects as of such specified date) and (b) qualified by materiality shall be true and correct in all respects on and as of the Closing Date (except for representations or warranties that speak of a specific date or time other than the Closing Date which shall be true and correct in all respects as of such specified date), and the Seller shall have received a certificate to the effect of the foregoing from a duly authorized officer of Buyer dated as of the Closing Date.

Section 11.03. No Injunctions

Neither the Seller nor Buyer shall be subject to any injunction, preliminary restraining order or other similar decree of a court of competent jurisdiction prohibiting the consummation of the transactions contemplated by this Agreement.

Section 11.04. Performance of the Obligations of Buyer.

Buyer shall have performed in all material respects all obligations required under this Agreement to be performed by Buyer on or before the Closing Date, and the Seller shall have received a certificate to that effect from Buyer dated the Closing Date

Section 11.05. Deliveries by Buyer

Buyer shall have made delivery to the Seller of the documents and items specified in Section 13.03 herein.

ARTICLE XII.

CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligation of Buyer to consummate the transactions provided for in this Agreement is subject to the satisfaction, at or before the Closing, of the following conditions, any one or more of which may be waived in writing by Buyer in its sole discretion:

Section 12.01. Consents and Approvals.

(a) Receipt of all required material, non-governmental third party consents and any other approvals necessary or advisable to consummate the transactions contemplated by this Agreement set forth in Schedule 12.01(a);

(b) Approval by the Seller's Board for: (i)(A) defeasance and redemption of any outstanding bonds issued by the Seller on the System included in the Outstanding Indebtedness and (B) discharge of any other outstanding debt issued to the Seller and payable to any current lender and (ii) applying any funds related funds held in any construction fund or account under any indenture(s) being held by the Seller or any lender to the Seller on any outstanding debt (it being understood that any debt service funds or debt service reserve funds will be applied to the defeasance, redemption and discharge of outstanding debt); and

(c) Receipt of any required environmental and other Governmental Approvals required for transfer and operation of the System by Buyer, with terms and conditions reasonably

acceptable to Buyer, including without limitation all required EPA and PaDEP approvals and all such Authorizations and Permits and Governmental Approvals shall be Final Orders.

Section 12.02. **Representations and Warranties of Seller.**

The representations and warranties made by the Seller in Article IV this Agreement (disregarding all “materiality” and “Material Adverse Effect” or similar qualifications contained therein) shall be true and correct on and as of the Closing Date (except for representations and warranties expressly stated to relate to a specific date, in which case each such representation and warranty shall be true and correct as of such earlier date), with only such exceptions as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and the Buyer shall have received a certificate to that effect from the Seller dated as of the Closing Date.

Section 12.03. **PaPUC Approval.**

The PaPUC shall have issued a Final Order approving the transactions contemplated hereby.

Section 12.04. **No Injunctions.**

Neither the Seller or Buyer shall be subject to any injunction, preliminary restraining order or other similar decree of a court of competent jurisdiction prohibiting the consummation of the transactions contemplated by this Agreement.

Section 12.05. **No Material Adverse Effect.**

There shall not have occurred any event or condition which gives rise to a Material Adverse Effect with respect to the Acquired Assets or the System.

Section 12.06. **Deliveries by Seller.**

Seller shall have made delivery to Buyer of the documents and items specified in Section 13.02 herein.

Section 12.07. **Municipal Service Agreements.**

Subject to the provisions of Section 14.01(c)(ii), Buyer and each of the parties to the Municipal Service Agreement have agreed in writing to an assignment, amendment or new agreement on terms reasonably acceptable to Buyer.

Section 12.08. **Performance of the Obligations of Seller.**

Seller shall have performed in all material respects all obligations required under this Agreement to be performed by Seller on or before the Closing Date, and Buyer shall have received a certificate to that effect from Seller dated the Closing Date.

ARTICLE XIII.

CLOSING

Section 13.01. Closing Date.

The Closing shall take place at the offices of Dilworth Paxson LLP, at Penn National Insurance Plaza, 2 North 2nd Street, Suite 1101, Harrisburg, Pennsylvania or at 100 Atlantic Avenue, McKeesport, Pennsylvania, at 10:00 a.m. eastern standard time on the earliest agreed upon date or within five (5) Business Days after the date upon which all the conditions precedent to Closing described in this Agreement have been fulfilled or waived and Buyer and the Seller receive the last of the required consents, waivers, authorizations and approvals from the Governmental Authorities, in each case, for the transactions contemplated by this Agreement, or at such other place and time, by such other method, or on such other date, as may be mutually agreed to by the Parties (the "Closing Date"). The Closing shall be effective at 12:01 a.m., McKeesport, PA time, on the Closing Date (the "Closing Effective Time").

Section 13.02. Deliveries by Seller.

At the Closing, the Seller shall have delivered or cause to be delivered to Buyer executed copies of the following agreements, documents and other items:

- (a) A Bill of Sale transferring all of the Acquired Assets comprising personal property, in the form attached hereto as Exhibit C;
- (b) Possession of the Acquired Assets, including without limitation, the Real Property, the Easements and an interest in the Missing Easements (including a license from Seller to Buyer);
- (c) A duly executed counterpart to an Assignment and Assumption Agreement with respect to the Assumed Liabilities (the "Assignment and Assumption Agreement"), in the form attached hereto as Exhibit D;
- (d) A duly executed counterpart to the Closing Escrow Agreement;
- (e) The consents to transfer all of the Assigned Contracts and Authorizations and Permits (including environmental Authorizations and Permits), to the extent required hereunder;
- (f) One or more special warranty or other deeds in recordable form reasonably acceptable to Buyer transferring fee simple title of Real Property;
- (g) Copies or originals of all Files and Records, materials, documents and records in possession of the Seller relating to the Real Property or the Assigned Contracts;
- (h) Certificate of the Seller pursuant to Section 12.02 of this Agreement;
- (i) Certificate of the Seller pursuant to Section 12.08 of this Agreement;

- (j) A duly executed opinion of Seller's counsel as provided in Section 12.06;
- (k) Any documents duly executed by Seller required by the Title Company to issue final owner's title policies in accordance with the procedures set forth in Article VI; and
- (l) All such other instruments of conveyance or other documents as shall, in the reasonable opinion of Buyer and its counsel, be necessary to transfer to Buyer the Acquired Assets in accordance with this Agreement or to carry out the terms of this Agreement, duly executed and acknowledged by Seller, if necessary, and in a recordable form.

Section 13.03. Deliveries by Buyer.

At the Closing, Buyer shall have delivered or caused to be delivered to the Seller the following agreements, documents and other items:

- (a) Payment in full of the Purchase Price;
- (b) A duly executed counterpart to the Assignment and Assumption Agreement;
- (c) A duly executed counterpart to the Closing Escrow Agreement;
- (d) Certificate of Buyer pursuant to Section 11.02 of this Agreement;
- (e) Certificate of Buyer pursuant to Section 11.06 of this Agreement;
- (f) A duly executed opinion of Buyer's counsel as provided in Section 11.05;
- (g) Evidence of PaPUC approval as provided in Section 12.03; and
- (h) All such other instruments of assumption as shall, in the reasonable opinion of Seller and its counsel, be necessary for Buyer to assume the Assumed Liabilities in accordance with this Agreement.

ARTICLE XIV.

TERMINATION

Section 14.01. Events of Termination.

This Agreement may, by notice given in the manner hereinafter provided, be terminated and abandoned at any time prior to completion of the Closing:

- (a) By the mutual consent of the Seller and the Buyer;
- (b) By either the Seller or the Buyer if:
 - (i) the Closing shall not have occurred on or prior to the Outside Date; provided, however, the Buyer shall have the one-time right to extend the Outside Date for

up to ninety (90) days if, in the Buyer's sole discretion, any such amount of time up to ninety (90) days is necessary to obtain a required Governmental Approval; or

(ii) any Governmental Authority shall have issued an order, decree or ruling or taken any other action, in each case permanently restraining, enjoining or otherwise prohibiting the material transactions contemplated by this Agreement and such order, decree, ruling or other action will have become final and non-appealable; provided, however, that the party seeking termination pursuant to this clause (b) of this Section 14.01 is not in breach in any material respect of any of its representations, warranties, covenants or agreements contained in this Agreement;

(c) By the Seller if:

(i) (if Seller is not then in material breach of any provision of this Agreement) in the event of a material breach of any covenant or agreement to be performed or complied with by the Buyer pursuant to the terms of this Agreement or of any representation or warranty of the Buyer contained in this Agreement, which breach (i) has continued without cure for a period of sixty (60) days following written notice thereof by the Seller to the Buyer or if such breach cannot be cured and (ii) would result in a condition to Closing set forth in Article XI of this Agreement not being satisfied (which condition has not been waived by the Seller in writing); or

(ii) (if Seller is not then in material breach of its obligation pursuant to Section 2.06 to actively assist the Buyer in the assignment to Buyer (on terms satisfactory to the Buyer) of the Municipal Service Agreements) within a time period not prior to sixty (60) days and not ninety (90) days after the Effective Date, upon Seller delivering to Buyer notice in writing stating, in its sole discretion, that insufficient progress has been made with respect to obtaining all of the written assignments, amendments or new agreement(s) to the Municipal Service Agreements (on terms reasonably anticipated to be acceptable to Buyer) (the "Insufficiency Notice") provided, however, that the Agreement shall remain in full force and effect, if, within seven (7) Business Days after receipt of the Insufficiency Notice, Buyer delivers a written notice to Seller that it irrevocably waives the condition to Closing contained in Section 12.07 hereof.

(d) By the Buyer (if Buyer is not then in material breach of any provision of this Agreement) in the event of a material breach of any covenant or agreement to be performed or complied with by the Seller pursuant to the terms of this Agreement or of any representation or warranty of the Seller contained in this Agreement, which breach (i) has continued without cure for a period of sixty (60) days following written notice thereof by the Buyer to the Seller or if such breach cannot be cured and (ii) would result in a condition to Closing set forth in Article XII of this Agreement not being satisfied (which condition has not been waived by the Buyer in writing).

This Agreement may not be terminated after completion of the Closing.

Section 14.02. **Effect of Termination.**

If this Agreement is terminated by the Seller or the Buyer pursuant to Section 14.01, written notice thereof will forthwith be given to the other and all further obligations of the parties hereto under this Agreement will terminate without further action by either party and without liability or other obligation of either party to the other party hereunder; provided, however, (i) that no party will be released from liability hereunder if this Agreement is terminated and the transactions abandoned by reason of any willful breach of this Agreement and (ii) that if this Agreement is terminated and the transactions abandoned for any reason, the City shall remain obligated on the Deposit Note, provided, however, the Parties shall not to be deemed to have waived any rights or claims pursuant to this Agreement. With regard to any termination of this Agreement, the Seller and the City hereby affirmatively waive any defense to the validity or enforcement of the Deposit Note on the grounds that the Deposit Note is invalid as a result of not receiving any required Governmental Approval. The Seller and the City further agree, at the request of the Seller, to cooperate at their own expense with any filing by the Buyer, even in connection with a termination, for any required Governmental Approval of the Deposit Note.

ARTICLE XV.

MISCELLANEOUS

Section 15.01. **Confidentiality.**

Except as and to the extent required by applicable Law (including but not limited to the Pennsylvania Right-To-Know Act at 65 Pa § 67.101) or pursuant to an order of a court of competent jurisdiction and as required hereunder to obtain any and all required Governmental Approvals, neither Party hereto shall, directly or indirectly, disclose or use (and no party shall permit its representatives to disclose or use) any Confidential Information with respect to the other Party furnished, or to be furnished, by such other Party hereto or its shareholders, directors, officers, agents, or representatives to the other Party hereto or its employees, directors, officers, agents or representatives in connection herewith at any time or in any manner other than in connection with the completion of the transactions contemplated by this Agreement and related transactions.

Section 15.02. **Public Announcements.**

Subject to applicable Law or listing rules of an exchange on which Buyer's parent corporation's stock is listed, and except as otherwise set forth herein, the initial public announcement relating to the transactions contemplated herein will be mutually agreed upon and jointly made by the Parties. Subsequent public announcements by one Party shall be subject to review and approval by the other Party prior to issuance, such approval not to be unreasonably withheld, conditioned or delayed.

Section 15.03. **Notices.**

All notices, other communications and approvals required or permitted by this Agreement shall be in writing, shall state specifically that they are being given pursuant to this Agreement and shall be addressed as follows:

in the case of the Seller:

Attention:

The Municipal Authority of the City of McKeesport
100 Atlantic Ave.
McKeesport, Pennsylvania 15132
Attention: ____
Fax: ____

with a copy to:

in the case of the Buyer:

Attention:

Pennsylvania American Water Company
800 West Hershey Park Drive
Hershey, Pennsylvania 17033
Attention: ____
Fax: ____

with a copy to:

or such other persons or addresses as a Party may from time to time designate by notice to the other Party. A notice, other communication or approval shall be deemed to have been sent and received (i) on the day it is delivered, or if such day is not a Business Day or if the notice is received after ordinary office hours (time of place of receipt), the notice, other communication or approval shall be deemed to have been sent and received on the next Business Day, or (ii) on the fourth Business Day after mailing if sent by United States registered or certified mail.

Section 15.04. **Headings.**

The article, section and paragraph headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 15.05. **Severability.**

If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 15.06. **Entire Agreement.**

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any Party to enter into this Agreement or on which reliance is placed by any Party, except as specifically set forth in this Agreement. The Parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Agreement, (ii) the provisions and language of this Agreement have been fully negotiated and (iii) no provision of this Agreement shall be construed in favor of any Party or against any Party by reason of such provision of this Agreement having been drafted on behalf of one Party rather than the other Party.

Section 15.07. **Amendments; Waivers.**

This Agreement may be amended, changed or supplemented only by a written agreement signed by the Parties. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

Section 15.08. **Parties in Interest; Third Party Beneficiary.**

Except as hereinafter provided, this Agreement is not intended to and shall not be construed to create upon any Person other than the Parties any rights or remedies hereunder. Notwithstanding the prior sentence, the City is intended to be a third party beneficiary, with rights, among others, to enforce the covenants and agreements of Buyer contained in Article VII of this Agreement.

Section 15.09. **Successors and Assigns.**

(a) Except as otherwise set forth herein and subject to Sections 15.09(b) and (c), neither Party hereto shall assign or delegate this Agreement or any rights or obligations hereunder without the prior written consent of the other Parties hereto, and any attempted assignment or delegation without prior written consent shall be void and of no force or effect. Subject to Section 15.09(b), this Agreement shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the Parties hereto.

(b) With respect to any assignment or delegation permitted pursuant to Section 15.09(a) or in connection with any proposed sale, lease, liquidation or transfer of all or substantially all of the System or the Acquired Assets by Buyer, Buyer shall cause such assignee or successor to acknowledge and agree in writing for the benefit of Buyer and the Seller, to fully perform and be liable for all of Buyer's obligations set forth in Article VII, which obligations shall continue to be subject to the Seller's rights and remedies hereunder. In the event of any assignment or delegation by Buyer of its rights and obligations under this Agreement to any Person, Buyer shall be fully liable to the Seller to the extent provided under this Agreement, and such assignment or delegation by Buyer to such Person shall in no event relieve Buyer of its obligations pursuant to this Section 15.09(b).

(c) The Parties hereto acknowledge and agree that the limitation on assignment or delegation contained in Section 15.09(a) in no way limits the rights or obligations of the City, as the municipality creating the Seller, under the Municipality Authorities Act. In the event of the termination of the Seller in accordance with the Municipality Authorities Act and other applicable Law following the Closing:

(i) the City shall (x) obtain all property of the Seller and succeed to all of the Seller's rights under this Agreement, and (y) assume and be liable for all of the Seller's obligations under this Agreement (including with respect to the System), as if the City were originally direct parties hereto;

(ii) the City, or such other Governmental Authority as may be designated by the City (the City or such other Governmental Authority, the "Seller Successor"), is hereby appointed to act as agent for and on behalf of the City in connection with, and to facilitate, any and all transactions arising from, in connection with and incident to this Agreement;

(iii) a decision, act, consent or instruction of the Seller Successor shall constitute a decision of the Seller and shall be final, binding and conclusive upon each of the City, and Buyer and the Escrow Agent may rely upon any decision, act, consent or instruction of the Seller Successor as being the decision, act, consent or instruction of the Seller and the City;

(iv) Buyer and the Escrow Agent are hereby irrevocably relieved from any liability to any Person for any acts done by them in accordance with such decision, act, consent or instruction of the Seller Successor; and

(v) the Seller or the Seller Successor, as the case may be, shall constitute the sole point of contact for purposes of any notices to be given, consents to be obtained or other communications, by Buyer or Buyer's Affiliates pursuant to or in connection with this Agreement or any matters arising out of or relating hereto, and in no event shall Buyer be required or obligated in any way to give notice to, obtain the consent of or otherwise communicate with any Person other than the Seller or the Seller Successor.

Section 15.10. **Governing Law; Jurisdiction.**

This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Pennsylvania (without giving effect to the principles of conflicts of laws thereof). The Parties hereto irrevocably agree and consent to the jurisdiction of the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Allegheny County, Pennsylvania, for the adjudication of any matters arising under or in connection with this Agreement. Any action initiated in court shall be filed and litigated (including all discovery proceedings) exclusively in the United States District Court for the Western District of Pennsylvania and the Court of Common Pleas of Allegheny County, Pennsylvania, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such Party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 15.11. Specific Performance.

The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 15.12. Counterparts; Facsimile Execution.


This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement shall be effective when it has been executed by each Party and delivered to both Parties. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by facsimile transmission. Such Party shall be deemed to have executed and delivered this Agreement on the date it sent such facsimile transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

IN WITNESS WHEREOF, the Parties hereto have executed, or caused to be executed by their duly authorized Representatives, this Agreement as of the Effective Date.

MUNICIPAL AUTHORITY OF THE CITY
OF MCKEESPORT

By: _____
Printed: _____
Its: _____

PENNSYLVANIA AMERICAN WATER
COMPANY

By:  _____
Printed: Kathy L. Pape
Its: President

THE CITY OF MCKEESPORT

By: _____
Printed: _____
Its: Mayor

[THIS SPACE INTENTIONALLY LEFT BLANK:
SIGNATURES NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed, or caused to be executed by their duly authorized Representatives, this Agreement as of the Effective Date.

MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT PENNSYLVANIA AMERICAN WATER COMPANY

By: *Dale R. McCall*
Printed: Dale R. McCall
Its: *Chairman*

By:
Printed:
Its: President

THE CITY OF MCKEESPORT

By: *Michael Cherepko*
Printed: Michael Cherepko
Its: Mayor

ASSET PURCHASE AGREEMENT
BY AND AMONG
THE CITY OF MCKEESPORT,
THE MUNICIPAL AUTHORITY OF THE CITY OF MCKEESPORT
AND
BUYER

SCHEDULES AND EXHIBITS

Capitalized terms used in the Schedules which are not otherwise defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Schedules are to be read in their entirety. Nothing in the Schedules is intended to broaden the scope of any representation or warranty in the Agreement. The disclosure of any item, explanation, exception or qualification in any Schedule is disclosure of that item for all purposes for which disclosure is required under the Agreement when it is reasonably apparent from the context that such item, explanation, exception or qualification also relates to another Schedule irrespective of whether any cross reference is made or no Schedule is provided with respect to a representation. Other than as expressly set forth herein or when the Schedules reference agreements or other matters not documented in a separate writing, all descriptions of agreements, written materials or other matters appearing herein, are summary in nature and are qualified by reference to the complete documents, which have been supplied to the Buyer or its counsel.

Schedule 2.02(i)

Excluded Assets

No additional Excluded Assets.

Schedule 3.04

Allocation Schedule

[TO BE PROVIDED BY BUYER]

Asset	Percentage of Purchase Price
	%

Schedule 4.05

Required Governmental Consents

Pennsylvania Public Utility Commission

Schedule 4.06(b)

Financial Statements

None.

Schedule 4.07

Events Causing Material Adverse Effect since December 31, 2015

None.

Schedule 4.08

Unpaid Taxes and Tax Claims

None.

Schedule 4.09

Real Property

<u>Property – Brief Description</u>	<u>Building No.</u>	<u>Address</u>
Office and Maintenance Building	101	2800 Walnut Street, McKeesport, PA 15132
Garage	102	
Administrative Building	201	100 Atlantic Avenue, McKeesport, PA 15132
Control Building	202	
Pump Station	203	
Gas Meter House	204	
Sludge Concentrate Tank	205	
Garage Workshop	206	
Secondary Pump Station	207	
Headworks Building	208	
Process Air Building	209	
Chlorine Building	210	
Digester Air Building	211	
Storage Shed	212	
Influent Chamber	213	
Aerobic Basin/Digester Tank	214	
Final Clarifier Tank #1	215	
Final Clarifier Tank #2	216	
Chlorine Contact Tank	217	
Aerobic Digester	218	
SBR Tank	219	
UV Treatment Chamber	220	
Digester Decant Box #1	221	
Digester Decant Box #2	222	
Vactor Receiving Station	223	
Valve Vault	224	
Sewage Plant	301	Dravosburg Sewage Plant, Route 837, Dravosburg, PA 15034
Sewage Plant, Rte. 837	401	Duquesne Sewage Plant, Route 837, Duquesne, PA 15110
Parshall Flume	402	
Effluent Pit	403	
Chlorine Contact Tank	404	

[CONTINUED ON NEXT PAGE]

Pump Station	501	1915 Cliff Street Pump Station, Cliff Street, McKeesport, PA 15132
Pump Station	601	28th Avenue Pump Station, 28 th Avenue, McKeesport, PA 15132
Long Run Pump Station, 3706 Walnut Street Generator Building	701 702	3706 Walnut Street, McKeesport, PA 15132
Pump Station	801	Perry Street Pump Station, Perry Street, McKeesport, PA 15132
Pump Station	901	Bettis Road Pump Station, Bettis Road, Dravosburg, PA 15034
Pump Station Valve Vault	1001 1002	West Shore Pump Station, River Road, McKeesport, PA 15132
Pump Station, River Road	1101	Long Run/Elizabeth Valve Vault, River Ridge Road, McKeesport, PA 15132
Pump Station, Ripple Road Control Building	1201 1202	Ripple Road Pump Station, Ripple Road, McKeesport, PA 15132
Pump Station #1, Center Street Pump Station, #2, Center Street Generator Building	1301 1401 1402	RIDC Park Pump Stations, Center Street, McKeesport, PA 15132
Pump Station	1501	Port Vue Pump Station, Glenn Avenue, Port Vue, PA

Schedule 4.10

Equipment and Machinery

Bldg No.¹	Description
0101	SURVEILLANCE SYSTEM C/O 12-COLOR VIDEO CAMERAS 1-SHADOW DVR
0101	ITEM MISC OFFICE MACHINES & DEVICES
0101	ITEM MISC EDP EQUIPMENT
0101	ITEM MISC TOOLS & EQUIPMENT
0201	ITEM MISC APPLIANCES & EQUIPMENT
0201	ITEM MISC EQUIPMENT
0201	COPIER BLUEPRINT
0201	COPIER SHARP
0201	SERVER PROLIANT ML350 G6 W/ 1-APC SMARTUPS 1500 UPS 1-48 PORT PATCH PANEL
0201	ITEM MISC OFFICE MACHINES & DEVICES
0201	ITEM EDP EQUIPMENT
0201	SURVEILLANCE SYSTEM C/O 9-COLOR CAMERAS 1-CLINTON ELECTRONICS DVR 1-PRO SERIES DVR
0201	TELEPHONE SYSTEM W/ 2-PARTNER ACS MODULES 1-LUCENT PARTNER MODULE
0202	PUMP DBL DISC VERTICAL BELT DRIVEN BY 15HP MOTOR MODEL 600SX107CNU, WIRING & CONTROLS, PIPING & CONNECTIONS
0202	PUMP DBL DISC VERTICAL BELT DRIVEN BY 15HP MOTOR MODEL 600SX107CNU, WIRING & CONTROLS, PIPING & CONNECTIONS
0202	MUFFIN MONSTER MODEL 3000411T-1204 W/ WIRING & CONTROLS, PIPING & CONNECTIONS
0202	COMPRESSOR AIR RECIPROCATING VERTICAL BELT DRIVEN BY 3HP MOTOR, VERTICAL TANK MOUNTED W/ WIRING & CONTROLS, PIPING & CONNECTIONS
0202	COMPRESSOR AIR RECIPROCATING VERTICAL BELT DRIVEN BY 15HP MOTOR, HORIZONTAL TANK MOUNTED W/ WIRING & CONTROLS, PIPING & CONNECTIONS
0202	COMPRESSOR AIR RECIPROCATING VERTICAL BELT DRIVEN BY 15HP MOTOR HORIZONTAL TANK MOUNTED W/ WIRING & CONTROLS, PIPING & CONNECTIONS TYPE T30

¹ Building Numbers referenced are those listed in Schedule 4.09. Building number 9801 is used for machinery and equipment not associated with a specific building.

0202	COMPRESSOR AIR VERTICAL BELT DRIVEN BY 2HP MOTOR, HORIZONTAL TANK MOUNTED W/ WIRING & CONTROLS, PIPING & CONNECTIONS
0202	SCADA SYSTEM C/O 1-CPU CABINET STL 2X4X7, CONTROLS & POWER SUPPLY, 4-ALLEN-BRADLEY 750R SERVERS, 4-UPS, 2-CPU MONITORS, 1-LG 55" PLANT MONITOR, 11-COLOR SURVEILLANCE CAMERAS, 1-DVR, SCADA PANELS & SENSORS THROUGHOUT PLANT
0202	TOWER BELT FILTER PRESS TYPE 2253SH, SIZE 2.2 METER WIDTH #244, YEAR 2000 PROJECT NO. 473.22.53SH, CATWALKS, SERPENTIX PATHWINDER W/ TAKE-OFF CONVEYOR PW MODEL JOB NO. P00-0803, SERPENTIX 9"X19' LONG SCREW CONVEYOR W/ RETRACTION UNIT #1764, POLYMER FEED CHAMBER
0202	PRESS ROTARY SLUDGE 6 STATION PROJECT NO. 13-4044, SPEED REDUCTION DRIVEN BY 20HP 1450 RPM MOTOR, 1-BASE MOUNTED SCREW CONVEYOR, 1-RAISED WORK PLATFORM, 1-ENDRESS+HAUSER 3" FLOWMETER NO. 50W80-ULOA1RAOBAAA WITH DIGITAL READOUT, 1-ENDRESS+HAUSER 1" FLOWMETER NO. 50P25, 1-POLYMER FEED SYSTEM, WIRING & CONTROLS, PIPING & CONNECTIONS
0202	ITEM MISC EQUIPMENT
0202	MISC CHART RECORDER
0202	ITEM MISC EQUIPMENT
0202	ITEM MISC EQUIPMENT
0202	ITEM MISC EQUIPMENT
0202	ITEM MISC LAB EQUIPMENT & GLASSWARE
0202	ITEM MISC LAB APPARATUS & EQUIPMENT
0202	SEALER TRAY
0202	SPECTROPHOTOMETER
0202	HOIST 2,000# CAPACITY, TROLLEY & RAIL SYSTEM
0202	ITEM MISC EQUIPMENT
0203	SCREEN BAR SS 6X10
0203	AUTO-SAMPLER
0203	BANK OF 4 YEOMANS CENTRIFUGAL PUMPS, SIZE/MODEL 12422-5, 5,675 GPM, 90.6 HD.FT, VERTICAL SHAFT DRIVEN BY BALDOR 200HP 855 RPM MOTOR
0203	HOIST WIRE ROPE 3 TON CAPACITY CEILING MOUNTED
0203	READOUT FLOWMETER EXPLOSION PROOF TYPE GK-4064D
0206	LATHE CATALOG NO. CL370RD
0206	SAW BAND HORIZONTAL

0206	THREADER PIPE
0206	SPREADER SALT SS 8X4X3 SALT DOGG
0206	PRESS DRILL NO. 18
0206	ITEM MISC MACHINERY
0206	PUMP PORTABLE SIZE 4" DRIVEN BY 16HP GAS ENGINE, TRAILER
0206	SNOW PLOW 8X2 1/2, HYDRAULIC HITCH
0206	ITEM MISC SHOP TOOLS & EQUIPMENT
0206	ITEM USED PUMPS & MOTORS NOT INSTALLED
0207	PUMP SUBMERSIBLE SIZE 4X4, 3HP MOTOR, FLOWMETER 4", WIRING & CONTROLS, PIPING & CONNECTIONS
0207	PUMP BEARING COOLING SYSTEM C/O 1-STL TANK 2'DIAX3 1/2' HI 2-CENTRIFUGAL PUMPS 1HP MOTOR 1 1/2X1 1/2, WIRING & CONTROLS, PIPING & CONNECTIONS
0207	PANEL PUMP CONTROL SPECIAL BUILT, DIGITAL READOUT
0207	PUMP CENTRIFUGAL 4X12, TYPE 611SF, 300 GPM, 38' HEAD, 1150 RPM, COUPLED DRIVE BY U.S. ELECTRICAL 10HP VARI-DRIVE MOTOR, TYPE VEU-TF, 230/460 VOLTS, 30.2/15.1 AMPS, 1155/358/1200 RPM, 3 PHASE, 60 HZ, CONDUIT, WIRING & CONTROLS
0207	PUMP CENTRIFUGAL 4X12, TYPE 611SF, 300 GPM, 38' HEAD, 1150 RPM, COUPLED DRIVE BY U.S. ELECTRICAL 10HP VARI-DRIVE MOTOR, TYPE VEU-TF, 230/460 VOLTS, 30.2/15.1 AMPS, 1155/358/1200 RPM, 3 PHASE, 60 HZ, CONDUIT, WIRING & CONTROLS
0207	PUMP CENTRIFUGAL 12X22, TYPE 611SF, 4000 GPM, 26' HEAD 700 RPM, COUPLED DRIVE BY GE 40HP, 720 RPM, 230/460 VOLT 3 PHASE 60 CYCLE INDUCTION MOTOR, TYPE KAF, CONDUIT & WIRING
0207	PUMP CENTRIFUGAL 12X22, TYPE 611SF, 4000 GPM, 26' HEAD 700 RPM, COUPLED DRIVE BY GE 40HP, 720 RPM, 230/460 VOLT 3 PHASE 60 CYCLE INDUCTION MOTOR, TYPE KAF, CONDUIT & WIRING
0207	PUMP CENTRIFUGAL 12X22, TYPE 611SF, 4000 GPM, 26' HEAD 700 RPM, COUPLED DRIVE BY GE 40HP, 720 RPM, 230/460 VOLT 3 PHASE 60 CYCLE INDUCTION MOTOR, TYPE KAF, CONDUIT & WIRING
0207	PUMP CENTRIFUGAL, SHOP ORDER #XH602707, 12 7/8" DIAMETER IMPELLER, 1750 RPM, RATED 550 GPM, 168' TDH, COUPLED DRIVE BY LOUIS-ALLIS 50HP 1775 RPM, 230/460 VOLT, 3 PHASE 60 CYCLE 126/63AMP PACEMAKER MOTOR, CONDUIT & WIRING
0207	PUMP CENTRIFUGAL, SHOP ORDER #3HD97142, 10 7/16" DIAMETER IMPELLER, 1750 RPM, RATED 500 GPM, 100' TDH, COUPLED DRIVE BY 25HP, 1760 RPM, 230/460 VOLT, 3 PHASE 60 CYCLE 70/35AMP PACEMAKER MOTOR, CONDUIT & WIRING
0207	PUMP CENTRIFUGAL, SHOP ORDER #3HD97142, 10 7/16" DIAMETER IMPELLER, 1750 RPM, RATED 500 GPM, 100' TDH, COUPLED DRIVE BY 25HP, 1760 RPM, 230/460 VOLT, 3 PHASE 60 CYCLE 70/35AMP PACEMAKER MOTOR, CONDUIT & WIRING

0207	PANEL CONTROL, VARIABLE FREQUENCY DRIVES, PUMP CONTROLS
0207	ITEM POWER FEED MAINS
0207	BLOWER CENTRIFUGAL ORDER #GS25375B, 1125 ICFM AIR TO DISCHARGE, PRESSURE 2.25 PSIG AT ELEVATED 740 DEGREES AND 100 DEGREES F. AIR TEMPERATURE, COUPLED DRIVE BY LOUIS-ALLIS 40HP, 3510 RPM 230/460 VOLT, 3 PHASE 60 CYCLE 99/49AMP PACEMAKER MOTOR, ROOF MOUNTED AIR INTAKE FILTER, 8" BLAST GATE, PIPING & FITTINGS, CONDUIT, WIRING & CONTROLS
0207	BLOWER CENTRIFUGAL ORDER #GS25375B, 1125 ICFM AIR TO DISCHARGE, PRESSURE 2.25 PSIG AT ELEVATED 740 DEGREES AND 100 DEGREES F. AIR TEMPERATURE, COUPLED DRIVE BY LOUIS-ALLIS 40HP, 3510 RPM 230/460 VOLT, 3 PHASE 60 CYCLE 99/49AMP PACEMAKER MOTOR, ROOF MOUNTED AIR INTAKE FILTER, 8" BLAST GATE, PIPING & FITTINGS, CONDUIT, WIRING & CONTROLS
0207	BLOWER CENTRIFUGAL ORDER #GS25375A, 4000 ICFM AIR TO DISCHARGE, PRESSURE 8.0 PSIG AT ELEVATED 740 DEGREES AND 100 DEGREES F. AIR TEMPERATURE, COUPLED DRIVE BY GE 200HP, 3560 RPM, 460 VOLT, 3 PHASE 60 CYCLE 230AMP INDUCTION MOTOR, AIR INTAKE, ROOF MOUNTED FILTER, BIF 14" SURE SEAL RUBBER SEALED BUTTERFLY VALVE, ACTUATOR, PIPING & FITTINGS, CONDUIT, WIRING & CONTROLS
0207	BLOWER CENTRIFUGAL ORDER #GS25375A, 4000 ICFM AIR TO DISCHARGE, PRESSURE 8.0 PSIG AT ELEVATED 740 DEGREES AND 100 DEGREES F. AIR TEMPERATURE, COUPLED DRIVE BY GE 200HP, 3560 RPM, 460 VOLT, 3 PHASE 60 CYCLE 230AMP INDUCTION MOTOR, AIR INTAKE, ROOF MOUNTED FILTER, BIF 14" SURE SEAL RUBBER SEALED BUTTERFLY VALVE, ACTUATOR, PIPING & FITTINGS, CONDUIT, WIRING & CONTROLS
0207	BLOWER CENTRIFUGAL ORDER #GS25375A, 4000 ICFM AIR TO DISCHARGE, PRESSURE 8.0 PSIG AT ELEVATED 740 DEGREES AND 100 DEGREES F. AIR TEMPERATURE, COUPLED DRIVE BY GE 200HP, 3560 RPM, 460 VOLT, 3 PHASE 60 CYCLE 230AMP INDUCTION MOTOR, AIR INTAKE, ROOF MOUNTED FILTER, BIF 14" SURE SEAL RUBBER SEALED BUTTERFLY VALVE, ACTUATOR, PIPING & FITTINGS, CONDUIT, WIRING & CONTROLS
0207	HOIST CHAIN ELECTRIC 2 TON CAPACITY, MOTORIZED TROLLEY, FLOOR PENDANT CONTROL, 24' LIFT, WIRING & CONTROLS, TOP BEAM
0207	MANOMETER, 30" RANGE, 0-10 PSIG, WALL MOUNTED, CONDUIT & TUBING
0208	GRIT COLLECTION SYSTEM C/O 2-DUPERON MECHANICAL BAR SCREENS, TYPE FLEXRAKE FPFS, 3'-10 1/2" SCRAPER WIDTH, 34' LENGTH, REFERENCE NO. 11330/11331 OVERALL SIZE 5'1"X36 1/2' LONG, SS HOUSING, WORK ORDER NO. 2292 1-SERPENTIX PATHWINDER TYPE P2 CONVEYOR, JOB NO. P2111070A, 1 1/2' RUBBER BELT, 34' LONG, SPEED REDUCTION DRIVEN, SS FRAME, 1-MANUAL SS BAR SCREEN, 5X8, 1-SMITH & LOVELESS TYPE PISTA GRIT CHAMBER SERIAL #03-02477-K, STYLE 360B, SIZE 30, PEAK FLOW 28 MGD, 2HP, 1800 RPM EXPLOSION PROOF MOTOR, 1-PISTA TURBO GRIT WASHER, DRIVEN BY 3HP 1200 RPM EXPLOSION PROOF MOTOR, 1-PISTA GRIT CHAMBER SERIAL #0302448K, 3-OPEN CHANNEL FLOWMETERS
0208	SENSOR GAS POLYTRON TX 2-SIGNAL TRANSMITTERS
0208	MONORAIL 12" I-BEAM RAIL 16' LONG, 1-YALE WIRE ROPE HOIST 1/2 TON CAPACITY
0208	ITEM MINOR EQUIPMENT

0208	ITEM POWER FEED MAINS
0208	AUTO-SAMPLER
0209	BLOWER ROTARY MODEL HYFLMBA CAT NO. HF264, 3300 RPM, VERTICAL BELT DRIVEN BY 125HP MOTOR W/ 2-SILENCERS 1-STAND
0209	BLOWER ROTARY MODEL HYFLMBA CAT NO. HF264, 3300 RPM, VERTICAL BELT DRIVEN BY 125HP MOTOR W/ 2-SILENCERS 1-STAND
0209	BLOWER ROTARY MODEL HYFLMBA CAT NO. HF264, 3300 RPM, VERTICAL BELT DRIVEN BY 125HP MOTOR W/ 2-SILENCERS 1-STAND
0209	BLOWER ROTARY MODEL HYFLMBA CAT NO. HF264, 3300 RPM, VERTICAL BELT DRIVEN BY 125HP MOTOR W/ 2-SILENCERS 1-STAND
0209	BLOWER ROTARY MODEL HYFLMBA CAT NO. HF264, 3300 RPM, VERTICAL BELT DRIVEN BY 125HP MOTOR W/ 2-SILENCERS 1-STAND
0209	BLOWER ROTARY GACHCRA CAT NO. 4HR, VERTICAL BELT DRIVEN BY 3HP MOTOR W/ 2 NOISE SNUBBERS
0209	MONORAIL C/O 1-12" I-BEAM RAIL 35' LONG 1-YALE WIRE ROPE HOIST 1 TON W/ MANUAL TROLLEY
0209	ITEM POWER FEED MAINS
0210	SCALE CHLORINE CYLINDER 2-CYLINDER CRADLES 1-WIZARD 4000 DIGITAL READOUT
0210	MONORAIL C/O 1-12" I-BEAM RAIL 45' LONG 1-WIRE BASE HOIST 2 TON CAP W/ POWER TROLLEY, 1-LIFTING RAIL 2 TON CAP 6' LONG
0210	ITEM MISC MACHINERY C/O CHLORINATOR, SIGNAL TRANSMITTERS, GAS DETECTOR, CHLORINE ANALYZER
0210	CHLORINATION SYSTEM C/O 1-WALLACE & TIERNAN MODEL V10K VACUUM GAS FEEDER 1-WALLACE & TIERNAN MODEL SFCSC CONTROLLER, PIPING & CONNECTIONS
0210	APPARATUS BREATHING SELF CONTAINED
0210	ITEM POWER FEED MAINS
0211	BLOWER ROTARY HELIFLOW MODEL HYFLMBA, CAT NO. HF624, 3300RPM, DIRECT DRIVEN BY BALDOR 200HP MOTOR W/ 2-SILENCERS 1-STAND, WIRING & CONTROLS PIPING & CONNECTIONS
0211	BLOWER ROTARY HELIFLOW MODEL HYFLMBA, CAT NO. HF624, 3300RPM, DIRECT DRIVEN BY BALDOR 200HP MOTOR W/ 2-SILENCERS 1-STAND, WIRING & CONTROLS PIPING & CONNECTIONS
0211	BLOWER ROTARY HELIFLOW MODEL HYFLMBA, CAT NO. HF624, 3300RPM, DIRECT DRIVEN BY BALDOR 200HP MOTOR W/ 2-SILENCERS 1-STAND, WIRING & CONTROLS PIPING & CONNECTIONS
0211	BLOWER ROTARY HELIFLOW MODEL HYFLMBA, CAT NO. HF624, 3300RPM, DIRECT DRIVEN BY BALDOR 200HP MOTOR W/ 2-SILENCERS 1-STAND, WIRING & CONTROLS PIPING & CONNECTIONS
0211	MONORAIL C/O 1-12" I-BEAM RAIL 35' LONG 1-YALE WIRE ROPE HOIST 1 TON CAP W/ MANUAL TROLLEY
0214	PUMP DOUBLE DISC DUPLEX TYPE, VERTICAL BELT DRIVEN BY 10HP MOTOR
0214	PUMP DOUBLE DISC DUPLEX TYPE, VERTICAL BELT DRIVEN BY 10HP MOTOR

0214	FLOW TRANSMITTER
0214	CONTROL PANEL BASIN 4 2 1/2X1X3
0214	RECORDER CHART 12" DIA, 2 PEN W/ DISSOLVE OXYGEN METER
0214	FLOWMETER SIZE 8" W/ DIGITAL READOUT
0214	ITEM POWER FEED MAINS
0214	ITEM POWER FEED MAINS
0214	FINE BUBBLE AERATION SYSTEM FOR TANKS 1, 2, 5 & 6 W/ FEED PIPE, MANIFOLD SYSTEM & DIFFUSERS
0214	DIGESTER SYSTEM PROJECT NO. 10853D, TANK SIZE 52X52 W/ 4-6" PVC HEADERS 52' LONG W/ 24-FLEX AIR 84P MAGNUM DIFFUSERS W/ 1-SUBMERSIBLE TYPE MIXER MODEL 4670, HOIST
0214	DIGESTER SYSTEM PROJECT NO. 10853D, TANK SIZE 52X52, W/ 4-6" PVC HEADERS 52' LONG W/ 24-FLEX AIR 84P MAGNUM DIFFUSERS W/ 1-SUBMERSIBLE TYPE MIXER MODEL 4670, HOIST
0215	CLARIFIER SIZE 115" DIA DATE 2/08 W/ COLLECTOR ARM SPEED REDUCTION DRIVEN BY 3/4HP TEFC MOTOR, CENTER COLLECTION WELL, 1-WALKWAY 1-OUTER RING FIBRGLS COVER, WIRING & CONTROLS, PIPING & CONNECTIONS
0216	CLARIFIER SIZE 115" DIA DATE 2/08 W/ COLLECTOR ARM SPEED REDUCTION DRIVEN BY 3/4HP TEFC MOTOR, CENTER COLLECTION WELL, 1-WALKWAY 1-OUTER RING FIBRGLS COVER, WIRING & CONTROLS, PIPING & CONNECTIONS
0217	FLOWMETER USONIC-R, DIGITAL READOUT
0217	PUMP VERTICAL TURBINE SIZE 6", 40HP VERTICAL MOTOR 1780 RPM FAIRBANKS & MORSE SP 2123691-1, WIRING & CONTROLS, PIPING & CONNECTIONS
0217	PUMP VERTICAL TURBINE SIZE 6", 40HP VERTICAL MOTOR 1780 RPM FAIRBANKS & MORSE SP 2123691-0, WIRING & CONTROLS, PIPING & CONNECTIONS
0217	ITEM MISC EQUIPMENT
0218	COARSE BUBBLE AERATION SYSTEM PROJECT NO. 16901 TANK SIZE 29X155' LONG 3-6" SS COUPLINGS 3-6"X4" SCHEDULE 40 PVC DISTRIBUTION MANIFOLD ASSEMBLY 8-4" SCHEDULE 40 AIR HEADER ASSEMBLY 29' LONG 3-304 SS RIDGID PIPE SUPPORTS 41-304 SS SIMPLE PIPE SUPPORTS 56-MAX AIR DUPLEX DIFFUSER ASSEMBLY, PIPING & CONNECTIONS
0218	COARSE BUBBLE AERATION SYSTEM PROJECT NO. 16901 TANK SIZE 29X155' LONG 3-6" SS COUPLINGS 3-6"X4" SCHEDULE 40 PVC DISTRIBUTION MANIFOLD ASSEMBLY 8-4" SCHEDULE 40 AIR HEADER ASSEMBLY 29' LONG 3-304 SS RIDGID PIPE SUPPORTS 41-304 SS SIMPLE PIPE SUPPORTS 56-MAX AIR DUPLEX DIFFUSER ASSEMBLY, PIPING & CONNECTIONS
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0219	DUAL MODE SEQUENTIAL BATCH REACTORS INTERMITTENT CYCLE EXTENDED AERATION SYSTEM PROJECT NO. 11-7577A C/O 4-PRE REACT ZONES 24 2/3'X80' LONG W/ 6-AIR DISTRIBUTORS, 73-DIFFUSERS PER DISTRIBUTOR 4-BASINS 80X134 1/3' LONG 2-GRIDS PER TANK, 18-AIR DISTRIBUTORS PER GRID 1314-DIFFUSERS PER GRID 4-SANITAIRE DECANTERS SS, 2 SECTIONS 40' LONG, ONE IS MOTOR DRIVEN 8-FLYGT SUB TYPE MIXERS MODEL 4670 SS W/ 20HP MOTOR 4-FLYGT SUB PUMPS MODEL 3085 SIZE 3 1/8", 3HP MOTOR 8-HACH MODEL SC1000 PH METERS 1-THERN PORTABLE JIB CRANE MODEL 5124 SS 1 TON CAP 4-FONTAINE SLUICE GATES MODEL 253-72"X24"-K-FE-EC SS MOTOR DRIVEN SIZE 72"X24" WIRING & CONTROLS, PIPING & CONNECTIONS
0220	UV SYSTEM AQUARAY 3X HOVCS CONTRACT NO. 18-241 C/O 9-AQUARAY 3X VLS HIGH OUTPUT MODULES 3 PER CHANNEL 9-UV INTENSITY SENSORS 3 PER CHANNEL, 12-MOUNTING RAILS, 27-POWER INTERCONNECT CABLES, 18-DATA INTERCONNECT CABLES, 3-POWER SUPPLY UNIT W/ BUILT IN AIR CONDITIONER 1-UV MAIN CONTROL PANEL 1-AUTOMATIC CLEANING SYSTEM 1-CABLE TRAY, 1-FLOWMETER 1-EMERGENCY SHOWER ENCLOSURE
0220	CRANE BRIDGE 1 TON CAP TUBULAR STL BRIDGE 20' LONG BOTTOM RUNNING END TRUCK 1-ELECTRIC CHAIN HOIST 1 TON
0220	AUTO-SAMPLER
0301	ITEM MISC WORKBENCH, FIRE EXTINGUISHER, ETC
0301	ITEM MISC HOIST, LADDERS, ETC
0301	ITEM MISC FURNITURE & EQUIPMENT
0301	MONITOR MULTIGAS, CASE
0301	SCALE CHLORINE 2 CYLINDER CAPACITY DIGITAL READOUT W/ 2-SIEMENS MODEL W3T97930 GAS CHLORINATORS
0301	BLOWER CENTRIFUGAL SKID MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0301	BLOWER CENTRIFUGAL SKID MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0301	BANK OF 3 CENTRIFUGAL PUMPS, VERTICAL SHAFT DRIVEN
0301	MISSION SYSTEM FOR SCADA MONITORING
0301	AUTO-SAMPLER
0301	BANK OF 2 PROCESS WATER PUMPS
0301	2 RETURN ACTIVATED SLUDGE PUMPS
0301	ITEM MISC MAINTENANCE & GENERAL EQUIPMENT
0301	ITEM MISC MACHINERY

0301	ITEM MISC FURNITURE & EQUIPMENT
0301	SURVEILLANCE SYSTEM C/O 5-COLOR CAMERAS, 1-CLINTON ELECTRONICS SHADOW DVR
0301	LOT MISC EDP EQUIPMENT
0301	ITEM MISC LAB EQUIPMENT
0301	SAMPLER REFRIGERATED ALL WEATHER ENCLOSURE
0301	CRANE BOOM HYDRAULIC 8' MOTOR DRIVEN BOOM CABLE HOIST
0401	PUMP SLUDGE PISTON TYPE; 150 GPM AT 50' TDH, DRIVEN BY 3HP 1745 RPM MOTOR, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	PUMP SLUDGE PISTON TYPE, 150 GPM AT 50' TDH, DRIVEN BY 3HP 1745 RPM MOTOR, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	LOT POWER FEED MAINS
0401	LOT MISC FURNITURE & EQUIPMENT
0401	SURVEILLANCE SYSTEM C/O 5-COLOR CAMERAS, 1-CLINTON ELECTRONICS SHADOW DVR
0401	LOT MISC FURNITURE & EQUIPMENT
0401	ITEM EDP EQUIPMENT
0401	PRESS BELT FILTER 1.0M. BELT WIDTH J-BELT MODEL BFP-2000-1.0M-PN C/O 2-GRUNDFOS TYPE CR8-6B WASH WATER PUMPS, SIZE 2X2, 5HP MOTOR, 1-INCLINED BELT CONVEYOR MOTOR DRIVEN 18" WIDTHX24 LINFT, 1-MASTER CONTROL PANEL SS 36X12X42, P.L.C.-ABB PANELVIEW 550, 1-ALUMINUM WORK PLATFORM, PIPING & CONTROLS, PIPING & CONNECTIONS
0401	POLYMER FEED SYSTEM POLYBLEND W/ LMI METERING PUMP, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	GENERATOR EMERGENCY 265 KW, 331 KVA, STL SKID MOUNTED WITH 275 GALLON WELDED STL TANK
0401	LOT MISC GENERAL EQUIPMENT
0401	BLOWER CENTRIFUGAL 100HP MOTOR STL SKID MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	BLOWER CENTRIFUGAL 100HP MOTOR STL SKID MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	BLOWER CENTRIFUGAL 100HP MOTOR STL SKID MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	SCBA, WALL MOUNTED CASE
0401	SCALE CHLORINE PLATFORM TYPE 4,000# CAPACITY CHLOR-SCALE W/ CENTURY 12D40A WALL MOUNTED GAUGE
0401	LOT MISC MACHINERY
0401	MONORAIL 5X12 I-BEAM 25' SPAN W/ ELECTRIC 3 TON CAPACITY ELECTRIC CHAIN HOIST AND MOTOR DRIVEN TROLLEY PBFC

0401	LOT MISC LADDERS & CHAIRS
0401	LOT MISC MACHINERY
0401	LOT MISC EQUIPMENT
0401	LOT MISC LAB EQUIPMENT
0401	LOT MISC FURNITURE & EQUIPMENT
0401	LOT MISC FURNITURE, TOOLS & EQUIPMENT
0401	LOT MISC MINOR EQUIPMENT
0401	BAR SCREEN INCLINED TYPE 84 DEGREE HEAVY-DUTY, PROJECT NO. 20891-01, CHAIN DRIVEN SS, 36" WIDTH X 12 1/2', 7.6 MGD CAP AT 1-10' DEPTH MASTER CONTROL PANEL 30X12X30, WIRING & CONTROLS
0401	SCREEN BAR BYPASS 1 1/2X3/8" BARS, 2" ON CENTER, ALUMINUM 42" WIDEX54"
0401	GRIT REMOVAL SYSTEM C/O U.S. FILTER AIR LIFT TYPE GRIT WASHER MODEL SW, 12" DIA X 12' LONG, PROJECT #2089-1-301, DRIVEN BY 1HP, 1800 RPM MOTOR, 58 GPM FLOW CAPACITY, 1-SIMPLEX SWINGFUSERS TYPE B-1 AERATORS, 9 DIFFUSERS, 2-AIR LIFT GRIT PUMPS, 3" DIA, 1-MASTER CONTROL PANEL 2X1X2, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	CLARIFIER 20' DIA, 15' DEPTH, 1HP DRIVE MOTOR W/ 1-SETTLED SLUDGE SCRAPER STRUCTURAL STL, 1-STATIONARY SITTING WELL 4' DIA X 4' HIGH MADE FROM 1/4" STL PLATE, 1-EFFLUENT WEIR TROUGH, 1-BRIDGE STRUCTURAL STL BEAMS, STL PLATE DECK, STL PIPE SAFETY RAILING
0401	BANK OF 2 DORR-OLIVER DENSLUDGE THICKENERS, 20' DIA, BOTTOM MOUNTED RAKE ARM, 5' DIA X 6' HIGH STL INFLUENT WELL, PERIMETER MOUNTED STL PLATE WEIR, DRIVEN BY 1/3HP, 1725 RPM MOTOR, 12" REINFORCED CONCRETE BRIDGE 25X3, STL PIPE RAILINGS, MASTER CONTROL PANEL 30X12X30, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	BUBBLE DIFFUSER SYSTEM C/O 4-SIZE 20X25 TREATMENT TANKS, FINE BUBBLE DIFFUSERS, 4-SIZE 20X25 DIGESTER TANKS, COARSE BUBBLE DIFFUSERS, WIRING & CONTROLS, PIPING & CONNECTIONS
0401	GATE SLUICE 18X18, RODNEY HUNT FLOOR STANDS
0401	LOT MISC MACHINERY
0401	SAMPLER REFRIGERATED BASE
0401	PRESS SCREEN ALUMINUM 12" DIA X 6' LONG TYPE HA7/14568 WITH 3HP HYDRAULIC DRIVE YEAR 2001
0401	LOT MISC MAINTENANCE & GENERAL EQUIPMENT
0402	MONITOR LEVEL ULTRASONIC DATUM UI1500
0404	PUMP TURBINE VERT TYPE 12PO, DRIVEN BY 15HP, 1160 RPM MOTOR WITH WIRING & CONTROLS, PIPING & CONNECTIONS
0404	PUMP TURBINE VERT TYPE 12PO, DRIVEN BY 10HP, 1160 RPM MOTOR WITH WIRING & CONTROLS, PIPING & CONNECTIONS

0404	CONTROLLER CHLORINATION
0404	MONITOR LEVEL ULTRASONIC DATUM UI1500
0404	SAMPLER REFRIGERATED
0501	SCREEN BAR SS 5X6
0501	FLOWMETER SIZE 20", DIGITAL READOUT
0501	BANK OF 3 CENTRIFUGAL PUMPS, SIZE 1, 2576 GPM, 71.2 HD FT, VERTICAL SHAFT DRIVEN BY 100HP 1188 RPM MOTOR, WIRING & CONTROLS, PIPING & CONNECTIONS
0501	ITEM POWER FEED MAINS
0501	HOIST WIRE ROPE 2 TON CAPACITY CELING MOUNTED
0501	PANEL SCADA 5X1X6, PANELVIEW CONTROL
0501	HOIST WIRE ROPE 1/2 TON CAPACITY CEILING MOUNTED
0599	GENERATOR DIESEL ENGINE 300KW MODEL DQHAB-1203419, MOUNTED ON 600 GALLON CAPACITY FUEL TANK, WIRING & CONTROLS
0599	CAMERA VIDEO SURVEILLANCE
0601	BAR SCREEN MANUAL SS 5X6
0601	BANK OF 3 CENTRIFUGAL PUMPS, SIZE/MODEL 8518-4B, S.O. #7517-901206, 2760 GPM 99.4 HEAD FT VERTICAL SHAFT DRIVEN BY 150HP 1190 RPM MOTOR
0601	FLOWMETER SIZE 20", DIGITAL READOUT
0601	ITEM POWER FEED MAINS
0601	HOIST WIRE ROPE 2 TON CAPACITY CEILING MOUNTED
0601	HOIST WIRE ROPE 1/2 TON CAPACITY CEILING ROUNDED
0601	PANEL SCADA STL 5X1X6, PANELVIEW CONTROL
0601	LOT MISC EQUIPMENT
0699	RC TRANSFORMER SLAB COST EST
0699	GENERATOR 400KW 60 HERTZ, 480 VOLT 3 PHASE, MODEL DFEH-1303422, DRIVEN BY 6 CYLINDER DIESEL ENGINE, 660 GALLON CAP FUEL TANK BASE
0699	CAMERA VIDEO SURVEILLANCE
0701	BANK OF 3 WILO MODEL FA20.78D SUBMERSIBLE PUMPS, 270HP 1788 RPM, 3374.3 GPM, HEAD 174.4, RAIL MOUNTED, WIRING & CONTROLS, PIPING & CONNECTIONS
0701	MONORAIL 30' LONG I-BEAM RAIL, 4 TON CAPACITY WIRE ROPE HOIST WITH POWER TROLLEY W/I-BEAM SUPPORTS

0701	GAUGE RAIN NO. 674
0701	SURVEILLANCE SYSTEM 3 CAMERA
0701	FLOWMETER SIZE 20", DIGITAL READOUT
0701	BAR SCREEN TRAVELING SS 2X40, SPEED REDUCTION DRIVEN, PROJECT #2292 W/ DX WASHER COMPACTOR SERIAL #109-1112-W2292-3, CONTROL PANEL SS PROJECT #2292 WITH WIRING
0701	MONORAIL 8" I-BEAM RAIL 20' LONG, YALE 1 TON CAPACITY WIRE ROPE HOIST, MANUAL TROLLEY
0702	GENERATOR 750 KW, 937.5 KVA, DRIVEN BY 6 CYLINDER DIESEL ENGINE, MOUNTED ON 1,000 GALLON CAPACITY FUEL TANK WITH EATON TRANSFER SWITCH MODEL DQFAA-1201654
0702	PANEL SCADA STL 5X1X6 WITH PANELVIEW CONTROL
0702	ITEM POWER FEED MAINS
0801	TANK SS 4X3 1/2X5 WITH 2-SIZE 6" 5HP SUBMERSIBLE PUMPS, WIRING & CONTROLS, PIPING & CONNECTIONS
0801	FLOWMETER SIZE 6" NO. 1FC020D, DIGITAL READOUT
0801	GENERATOR 20KW DRIVEN BY 4 CYLINDER NATURAL GAS FIRED ENGINE, TRANSFER SWITCH, WIRING & CONTROLS, PIPING & CONNECTIONS MODEL GBDB-5668647
0901	DUPLEX SEWAGE STATION C/O 2-SUBMERSIBLE SEWAGE PUMPS 6X6 10HP MOTOR ITT FLYGT 1-MASTER CONTROL PANEL STL 30X12X36, 1-AUTO DIALER, LIFTING RAILS, WIRING & CONTROLS, PIPING & CONNECTIONS
1001	MANUAL BAR SCREEN SS 5X10
1001	DETECTOR GAS POLYTRON 5000
1001	BANK OF 4 CENTRIFUGAL PUMPS S.O. NO. 7517001207 7300 GPM, 80.2 HD FT VERTICAL SHAFT DRIVEN BY BALDOR 200HP 885RPM MOTOR, WIRING & CONTROLS PIPING & CONNECTIONS
1001	AUTO-SAMPLER
1001	ITEM POWER FEED MAINS
1001	TRAVELING BAR SCREEN PROJECT NO. 2292, SS, 4' WIDE W/ 1-SCREENING COMPACTOR 1-SCREW TYPE TAKE OFF CONVEYOR 1-INCLINED RUBBER BELT CONVEYOR SERPENTIX 2'X60' BELT, SPEED REDUCTION DRIVEN, ALUMINUM FRAME & SUPPORT, WIRING & CONTROLS
1001	MONORAIL C/O 1-8" I-BEAM RAIL 20' LONG 1-YALE WIRE ROPE HOIST 1/2 TON CAP W/ MANUAL TROLLEY
1001	MONORAIL C/O 1-12" I-BEAM RAIL 42' LONG 1-YALE WIRE ROPE HOIST 3 TON CAP W/ POWER TROLLEY
1001	PANEL SCADA 5X1X6 W/ PANELVIEW CONTROL
1002	FLOWMETER SIZE 36" W/ DIGITAL READOUT
1099	GENERATOR 1000 KW 3 PHASE DRIVEN BY 6 CYLINDER DIESEL ENGINE MOUNTED ON DIESEL FUEL TANK 1050 GAL MODEL DQFAD-1203430

1201	MONORAIL C/O 1-10" I-BEAM RAIL 60' LONG W/ I-BEAM SUPPORTS 1-WIRE ROPE HOIST 1 TON CAP
1201	MUFFIN MONSTER 5HP MOTOR
1201	FLOWMETER SIZE 12" EXPLOSION PROOF
1201	BANK OF 3 SUBMERSIBLE PUMPS SIZE 6" 79HP RAIL MOUNTED
1201	CAMERA VIDEO SURVEILLANCE
1202	GENERATOR 300 KW DRIVEN BY DIESEL ENGINE W/ 1-TRAMONT STL FUEL TANK 1-TRANSFER SWITCH MODEL DQHB-1203421
1202	PANEL SCADA 5X1X6 W/ ALLEN BRADLEY PANELVIEW PLUS 1250 TOUCH SCREEN
1202	ITEM POWER FEED MAINS
1301	BANK OF 2 SUBMERSIBLE PUMPS 6", 10HP, WIRING & CONTROLS, PIPING & CONNECTIONS
1301	GENERATOR 35 KW DRIVEN BY 6 CYLINDER LIQUID PROPANE ENGINE W/ 1-TRANSFER SWITCH
1301	PUMP CONTROL PANEL 3X1X3 1/2, 2 PUMP CAP 2-ALLEN BRADLEY PROGRAMMABLE CONTROL
1401	BANK OF 2 SUBMERSIBLE PUMPS 5HP MOTOR SIZE 4, RAIL MOUNTED 1-MASTER CONTROL PANEL MODEL 6202E0039760
1402	GENERATOR TYPE SG0020-J363-0N18E8NLY 20 KW, DRIVEN BY 4 CYLINDER LIQUID PROPANE GAS ENGINE W/ 1-TRANSFER SWITCH
1402	DIALER AUTOMATIC/ALARM SENSAPHONE EXPRESS
9801	FLOWMETER SYSTEM W/ SENSORS & METER
9801	2003 FORD F350
9801	2006 FREIGHLINER/SPRINTER - CAMERA TRUCK
9801	2013 CHEVY SILVERADO
9801	2008 FORD F750 - DUMP TRUCK
9801	2009 FORD F150
9801	2004 FORD F250
9801	2004 GMC SAVANNA TOOL TRUCK
9801	2009 INTERNATIONAL 7000 VACTOR TRUCK
9801	2005 CATERPILLER 420 BACKHOE
9801	2007 FORD F150
9801	2006 CHEVY SILVERADO

9801	2000 FORD F350 DUMP TRUCK
9801	2012 CATERPILLER BACKHOE
9801	2012 FORD F750 DUMP TRUCK
9801	2012 CHEVY TAHOE
9801	2012 SURE TRACK TRAILER
9801	2014 INTERNATIONAL VACTOR TRUCK
9801	2013 CHEVY SILVERADO
9801	2015 CHEVY UTILITY TRUCK
9801	2008 CHEVY TRAILBLAZER
9801	2016 CHEVY CREW CAB
9801	1997 MUSTANG

Associated Liens

Backhoe and Dump Truck: Lien by PNC Equipment Finance, LLC pursuant to Lease Schedule No. 170087000 dated as of November 30, 2012
\$33,854.24 in remaining payments due

2013 Chevrolet TR Silverado: Lien by PNC Equipment Finance, LLC pursuant to Lease Schedule No. 181547000 dated as of May 1, 2014
\$8,309.51 in remaining payments due

2014 Vactor Truck (and accessories): Lien by PNC Equipment Finance, LLC pursuant to Lease Schedule No. 180820000 dated as of March 7, 2014
\$60,486 in remaining payments due

2015 Chevrolet Cutaway 3500: Lien by First Commonwealth Bank pursuant to Loan No. 8900001746 dated September 22, 2015
\$10,825 in remaining payments due

Schedule 4.11(b)

Plans and Benefit Obligations

United Concordia, Concordia Flex Dental Plan

Highmark PPO Blue Premium

Highmark Fashion Advantage Option V Benefits

[Continued on following pages]

Summary of Benefits Provided to Salaried Employees

Type of Benefit	Current Provider	Eligibility Requirements	Level of Benefit	Cost Sharing (employee contribution)
Paid Holidays	MAEM	None	10 per year	
Vacation	MAEM	None	<u>Year 1:</u> No vacation days <u>Year 2-5:</u> 2 weeks vacation <u>Years 6-10:</u> 3 weeks vacation <u>Year 11-15:</u> 4 weeks vacation <u>Years 16-20:</u> 5 weeks vacation <u>After Year 20:</u> 6 weeks vacation	
Personal Leave	MAEM	Pass probationary period	4 days per year Only 1 day past 11/30/XX None after 12/15/XX No carry over year to year	
Sick Days	MAEM	Pass probationary period	10 sick days per year -May carry over 5 days with maximum cap of 15 days	
Unpaid Leave	MAEM	None	1-3 days granted	
Worker's Compensation	MAEM		All employees covered	
Maternity Leave	MAEM		Sick leave and disability leave provided	
Jury Duty	MAEM	None	Paid difference between regular daily wage and amount received for jury service	
Military Leave			In accordance with applicable federal and state law	
Leave of Absence	MAEM		Granted without pay for up to 90 days for good cause	
FMLA	MAEM		Unpaid, job protected leave Entitled to 12 work weeks of leave per year	
Short term Disability (up to 6 months)	Principal Life Insurance Company	Must have at least 1 year of seniority	70% of gross pay up to max of \$1,200/week	
Long term Disability (longer than 6 months)	Principal Life Insurance Company	Eligible after 200 days of STD	66.66% of monthly pay up to max of \$3,500/month	
Life Insurance	Principal Life Insurance Company		200% of annual salary (min = \$10,000; max = \$150,000)	
Medical	Highmark PRO	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays
Vision	Highmark	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays
Dental	United Concordia	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays

Summary of Benefits Provided to Union Employees

Type of Benefit	Current Provider	Eligibility Requirements	Level of Benefit	Cost Sharing (employee contribution)
Paid Holidays	MACM	None	10 per year	
Vacation	MACM	Can not be taken until 1st anniversary date	<p>Year 1: No vacation days Year 2-5: 2 weeks vacation Years 6-10: 3 weeks vacation Year 11-15: 4 weeks vacation Years 16-20: 5 weeks vacation After Year 20: 6 weeks vacation</p>	
Personal Leave	MACM	Pass 180 day probationary period	<p>4 days per year Only 1 day past 9/30/XX None after 12/15/XX No carry over year to year</p>	
Sick Days	MACM	Pass probationary period	<p>10 sick days per year Can carryover 5 unused for max of 15</p>	
Funeral Leave	MACM	None	1-3 days granted	
Worker's Compensation	MACM		All employees covered	
Jury Duty	MACM	None	<p>Paid difference between regular daily wages and amount received for jury service</p> <p>In accordance with applicable federal and state law</p>	
Military Leave				
Leave of Absence	MACM		Granted without pay for up to 90 days for good cause	
Short-term Disability (up to 6 months)	Principal Life Insurance Company	Must have at least 1 year of annuity	70% of gross pay up to max of \$600/week	
Long-term Disability (longer than 6 months)	Principal Life Insurance Company	Eligible after 180 days of STD	66.66% of monthly pay up to max of \$3,500/month	
Life Insurance	Principal Life Insurance Company		\$47,000	
Medical	Highmark PPO	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays
Vision	Highmark	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays
Dental	United Concordia	Effective 30 days after hire	See attachment	Employee responsible for deductibles and co-pays
Education	MACM	Employee must pass course	MACM will bear expense of all education dealing with WW Treatment	
Meals Furnished	MACM	Employee works 4 hours or more OT	Eligible for 1 meal	

Schedule 4.11(c)

Multiemployer Plans

None.

Schedule 4.11(d)

**Benefit Obligations for Present or Future Terminated or Retired Personnel and Families as of
December 31, 2015**

Municipal Authority of the City of McKeesport Defined Benefit Pension Plan

1. Plan Membership as of December 31, 2015

a. Active participants	48
b. Terminated participants with deferred benefits	1
c. Participants receiving benefits	<u>16</u>
d. Total participants	65

The Plan is open to new entrants.

2. Components of Net Pension Liability at December 31, 2015 Measurement Date

a. Total Pension Liability (TPL)	\$	8,466,740
b. Plan fiduciary net position		<u>6,696,871</u>
c. Net Pension Liability (NPL) = (a) - (b)	\$	1,769,869
d. Plan fiduciary net position as a percentage of the total pension liability = (b) / (a)		79.10%

[Continued on Next Page]

EXHIBIT A SUMMARY OF PLAN PROVISIONS

Amendment:	Amended and Restated Document effective as of January 1, 2004, a Resolution (adopted 2/21/2007) granting a one-time retiree COLA, Resolution 2008-03 which changed the benefit formula and employee contribution percent and a Resolution (adopted 6/23/2009) adding a pre-retirement surviving spouse annuity option for all vested participants; Resolution to revise definition of short-service percentage for participants who work past Normal Retirement Age (adopted December 2011); Resolution 2014-5 added HEART Act provisions; and Resolution 2014-6 increased employee contributions and removed late retirement increase.
Eligibility Requirements (2.01):	An employee whose customary employment with the Employer is for at least 20 hours per week and 5 months per year becomes an active participant on the first day of the first month following his hire.
Normal (1.02 and 4.03):	Age 62 with 10 years of Continuous Service.
Early (1.02 and 4.03):	Age 55 with 20 years of Continuous Service.
Vesting (1.02):	Vesting schedule for Years of Continuous Service: 0% vested from zero to end of 10 th year, 50% vested at of 10 th year, plus 5% vested for each additional year from 11 th year and over up to 100% vested.
Retirement Benefit Formula (4.01):	Accrued Benefit. The produce of (a) 50% of average compensation and (b) short service percentage for participant with less than 20 years of service. The percentage of average compensation will increase 2% for each year of service over 20 years to a maximum of 80% of average compensation with 35 or more years of service.
Early Retirement Benefit (4.03):	Vested Accrued Benefit payable at Normal Retirement Date or reduced 5% for each year early.

Death Benefit (5.01):

Pre-Retirement:

50% to the surviving spouse of the Accrued Benefit if active death occurs after attainment of age 55 or 20 years of service. For all other vested participants, 50% to the surviving spouse of a 50% Joint & Survivor benefit beginning no earlier than when the deceased participant would have attained age 55. May be deferred to when the deceased participant would have attained age 62.

Post-Retirement:

Depends on the form of payment elected at retirement.

Disability Benefit:

Service Related (5.03):

For a totally and permanently disabled member who has 15 years of employment at the time of disability, 50% of Average Compensation reduced by any workers compensation payments

Non-Service Related

Same as Service Related benefit.

Post Retirement Adjustment:

An ad-hoc retiree COLA was granted effective 1/1/2007.

Other Benefits:

Vested Benefit (5.02):

Termination Benefit: Vested Accrued Benefit payable at Normal Retirement Date or reduced 5% for each year retirement date precedes participant's Normal Retirement Date.

Employee Contribution (3.01A):

4.0% of Compensation for 2015

No contributions are required after Normal Retirement Date.

Interest Rate on Member Contributions (1.02):

3.00%

Average Compensation (1.02)

The average of an employee's Monthly Compensation for those three consecutive Compensation Years which give the highest average.

Present Value of Benefits at Attained Age

	\$	
Active Participants		8,948,860
Retirement		0
Disability		0
Survivor		0
Refund of Employee Contribution*		0
Vested Withdrawal		0
Other		0
Total Active Participants		8,948,860
Non-Active Participants		113,304
Deferred Vested Participants		0
Benefit Recipients		3,060,457
Retirement Benefits		0
Disability Benefits		55,377
Surviving Spouse Benefits		0
Estimated DR(P) Participant Account Accumulations		0
Other		0
Total Non-Active Participants		3,229,138
Total Liabilities	\$	12,177,998
Actuarial Present Value of Future Normal Cost		4,341,959
Actuarial Accrued Liability	\$	7,836,039
* Estimated Accumulated Contributions to January 1, 2015 (without interest)	\$	567,621