

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
431	354	C.O. 1 - 1% Bid Reduction	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	-\$5,236.35		
432	354	C.O. 2 - Red. For Underground Service	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$1,911.25		
433	354	C.O. 3 - Various Adds	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$3,941.75		
434	354	C.O. 4 - Solenoid Valve, XFR	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$1,111.25		
435	354	C.O. 5 - Various Adds	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$1,050.00		
436	354	C.O. 6 - Various Adds	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$301.00		
437	354	C.O. 7 - Various Adds	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$1,097.00		
438	354	C.O. 7 - Delayed Cost	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$9,000.00		
439	354	Contract Bond	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,887.00		
440	354	Office Mobilization	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,792.00		
441	354	Field Mobilization	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,388.00		
442	354	1/2 - 2" Blk. Stl. Pipe	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$18,720.00		
443	354	3/4 Copper Tubing	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$700.00		
444	354	2-3" PVC Intake	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,350.00		
445	354	2-3" CPVC Intake	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,890.00		
446	354	Automatic Air Vents	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$380.00		

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447	354	Pumps	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$425.00		
448	354	Air Separators	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$148.00		
449	354	Expansion Tank	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,140.00		
450	354	Boilers	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$19,304.00		
451	354	Finned Tube Radiator	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$9,620.00		
452	354	Gas Fired Units	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$4,788.00		
453	354	Propane Heater	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$542.00		
454	354	Thru-the-Wall A/C	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$3,030.00		
455	354	Misc Demolition	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,637.00		
456	354	Concrete Pads	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$352.00		
457	354	Painting	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$500.00		
458	354	Misc. Cut and Patch	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,914.00		
459	354	Insulation	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,400.00		
460	354	ATC	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$18,364.00		
461	354	GRD's	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,400.00		
462	354	Fans	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$11,502.00		

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463	354	Roof Hoods	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$6,848.00		
464	354	Roof Curbs	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,352.00		
465	354	Electric Heat	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$5,628.00		
466	354	Louvers	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,552.00		
467	354	Starters and Disconnect	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,343.00		
468	354	Balance	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$650.00		
469	354	Roofing	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$205.00		
470	354	Flue Pipe	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$1,140.00		
471	354	Motor Operated Damper and Bbd	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$585.00		
472	354	Fin Tube	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$4,464.00		
473	354	Galv. Duct Fab	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,750.00		
474	354	Galv. Duct Install	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$2,200.00		
475	354	Galv. Fitting Fab	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$760.00		
476	354	Galv. Fitting Install	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$950.00		
477	354	Change Order #1	Contract 6-92 - Kinzua Wastewater Treatment Plant (HVAC)	1995-96	\$550.00		
478	354	Select Backfill	Contract No. 2006-1	2006	\$1,250.00		

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ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
479	354	Straw Bale Barrier/Filter Fence	Contract No. 2006-1	2006	\$9,730.00		

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480	354	Exploratory Excavation	Contract No. 2006-1	2006	\$255.00		
481	354	1 1/2" ID-2 Bituminous Wear Course	Contract No. 2006-1	2006	\$30,015.00		
482	354	4" ID-2 Bituminous Binder Course	Contract No. 2006-1	2006	\$53,690.00		
483	354	Access Road Construction	Contract No. 2006-1				
484	354	Crush Stone Base Course	Contract No. 2006-1	2006	\$70,000.00		
485	354	Geotextile Material	Contract No. 2006-1	2006	\$18,000.00		
486	354	Crushed Limestone Shoulder	Contract No. 2006-1	2006	\$4,800.00		
487	354	24" HDPE Storm Sewer Installation	Contract No. 2006-1	2006	\$1,000.00		
488	354	Mobilization/Demobilization	Contract No. 2006-1	2006	\$5,500.00		
489	354	ALT for PA2A Material on Shoulder	Contract No. 2006-1	2006	\$3,000.00		
490	354	Other Costs	Other Costs - Sanitary Sewers, Pump Station, Force Main and Access Road		\$74,038.22		
491	354	Lynch & Lynch		1994	\$46,925.60		
492	354	Woods & Baker		1994	\$31,451.50		
493	354	Junipers		1996	\$3,150.00		Item 7 under 354
494	354	2 Boilers		2007	\$14,535.00		
495	354	HTP Elite 80 boiler Kinzua WWTP		2010	\$5,690.00		

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496	354	Boiler		2015	\$10,266.40		
497	354	Kenmore Freezer		2017	\$508.00		Item 27 under 354
498	354	Pole Lighting - WWTP Kinzua & Pine		2017	\$5,489.41		Item 20 Under 354
499	354	Legal		1996	\$79,172.10		
500	354	Admin		1996	\$13,264.93		
501	354	Engineering - Basic (BCM)		1996	\$515,000.00		
502	354	Engineering - inspection (BCM)		1996	\$202,600.00		
503	354	Engineering - Additional (BCM)		1996	\$36,075.81		
504	354	Engineering - Basic (KLH)		1996	\$240,503.29		
505	354	Engineering - inspection (KLH)		1996	\$296,500.00		
506	354	Engineering - additional (KLH)		1996	\$108,582.95		
507	354	Interest per contract		1996	\$413,705.00		
508	354	Refinancing		1996	\$317,516.75		
509	354	Relocation expenses		1996	\$8,233.65		
510	354	Additional Authority paid expenditures		1996	\$84,281.44		
511	354	Kinzua Oil Well		1999	\$16,248.53		

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512	354	Engineering - West Run Interceptor		2001	\$16,758.55		
513	354	Holman St. Project - Engineering		2002	\$10,446.11		
514	354	Patching - Wetmore Ave.		2003	\$5,466.30		
515	354	New roof - KWWTP		2006	\$5,962.00		
516	354	Pine St. New Trinity Boiler (Allied Systems)		2012	\$6,242.00		
SUB-TOTAL =						\$9,477,073.12	

360 - Collection Sewers - Force

517	360	3" Diameter Force Main	Contract 2003-2 - General/Mechanical Construction	2004	\$25,258.50		
518	360	4" Diameter Force Main	Contract 93-1 - West Kane Area Sewer	1995	\$29,271.00		
519	360	Manholes Frame & Covers	Contract 93-1 - West Kane Area Sewer	1995	\$9,000.00		
520	360	Inflow Protectors	Contract 93-1 - West Kane Area Sewer	1995	\$2,400.00		
521	360	4" Diameter Force Main	Contract 93-2 - Route 66 Area Sewers	1996	\$72,853.00		
522	360	Air Release Valve and Vault	Contract 93-2 - Route 66 Area Sewers	1996	\$3,200.00		
523	360	2" Dia Force Main	Contract 93-2 - Route 66 Area Sewers	1996	\$32,418.00		
524	360	1 1/2" Diameter Service FM	Contract 93-2 - Route 66 Area Sewers	1996	\$3,664.00		
525	360	4" Diameter FM	Contract 93-3 - Westwind Area Sewers	1996	\$17,257.50		
526	360	1 1/2" Diameter Service FM	Contract 93-3 - Westwind Area Sewers	1996	\$12,718.75		

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ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
527	360	4" Diameter Force Main	Contract 93-4 - East Kane Sewer	1995	\$90,240.00		
528	360	6" Diameter Force Main	Contract 93-4 - East Kane Sewer	1995	\$45,528.00		
529	360	1 1/2 Diameter Service FM	Contract 93-5 - Greendale Area Sewers	1996	\$0.00		
530	360	4" Diameter Force Main	Contract 93-6 - Northwest Area Sewers	1995	\$86,144.00		
531	360	Air Release Valve Vault	Contract 93-6 - Northwest Area Sewers	1995	\$2,800.00		
532	360	Force Main Signs	Contract 93-6 - Northwest Area Sewers	1995	\$1,358.38		
SUB-TOTAL =						\$434,111.13	

361 - Collection Sewers - Gravity

533	361	2-inch VCP Sewer	1967 Project	1968	\$195.64		Estimated using ENR Construction Cost Index
534	361	4-inch VCP Sewer	1967 Project	1968	\$4,850.73		Estimated using ENR Construction Cost Index
535	361	6-inch VCP Sewer	1967 Project	1968	\$18,812.79		Estimated using ENR Construction Cost Index
536	361	8-inch VCP Sewer	1967 Project	1968	\$434,294.49		Estimated using ENR Construction Cost Index
537	361	10-inch VCP Sewer	1967 Project	1968	\$196,281.75		Estimated using ENR Construction Cost Index
538	361	12-inch VCP Sewer	1967 Project	1968	\$207,151.87		Estimated using ENR Construction Cost Index
539	361	15-inch VCP Sewer	1967 Project	1968	\$16,018.43		Estimated using ENR Construction Cost Index
540	361	16-inch VCP Sewer	1967 Project	1968	\$660.88		Estimated using ENR Construction Cost Index
541	361	18-inch VCP Sewer	1967 Project	1968	\$5,308.72		Estimated using ENR Construction Cost Index

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542	361	20-inch VCP Sewer	1967 Project	1968	\$7,373.16		Estimated using ENR Construction Cost Index
543	361	21-inch VCP Sewer	1967 Project	1968	\$34,619.77		Estimated using ENR Construction Cost Index
544	361	24-inch VCP Sewer	1967 Project	1968	\$32,817.43		Estimated using ENR Construction Cost Index
545	361	30-inch VCP Sewer	1967 Project	1968	\$7,274.75		Estimated using ENR Construction Cost Index
546	361	Manholes (Walls and Base)	1967 Project	1968	\$16,810.89		Estimated using ENR Construction Cost Index
547	361	Manhole Frame and Cover	1967 Project	1968	\$16,810.89		Estimated using ENR Construction Cost Index
548	361	Sewer Probe	Borough of Kane Original Cost of Inventory/Assets	2003	\$1,321.10		
549	361	0-8 Ft. Deep	Contract 2003-2 - General/Mechanical Construction	2004	\$34,276.00		
550	361	8-12 Ft. Deep	Contract 2003-2 - General/Mechanical Construction	2004	\$23,750.00		
551	361	Over 12 Ft	Contract 2003-2 - General/Mechanical Construction	2004	\$1,120.00		
552	361	8" PVC Caps	Contract 2003-2 - General/Mechanical Construction	2004	\$60.00		
553	361	M H. 0-6' Deep	Contract 2003-2 - General/Mechanical Construction	2004	\$25,200.00		
554	361	Manhole Barrel Over 6' VF	Contract 2003-2 - General/Mechanical Construction	2004	\$1,080.00		
555	361	Standard Manhole Frame & Covers	Contract 2003-2 - General/Mechanical Construction	2004	\$3,500.00		
556	361	Stainless Steel Inflow Protector	Contract 2003-2 - General/Mechanical Construction	2004	\$4,900.00		
557	361	Core Drill Manhole	Contract 2003-2 - General/Mechanical Construction	2004	\$500.00		

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ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
558	361	Mobilization/Project Closeout	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$7,000.00		
559	361	Select Backfill	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$28,080.00		
560	361	PADOT Shoulder Restoration	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$4,491.00		
561	361	Township Road Restoration	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$2,525.00		
562	361	Change Order 3	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$8,775.00		
563	361	Change Order 4	Contract 7-92 - Kinzua Road Interceptor Sewer	1995	\$825.00		
564	361	30-inch Sewer up to 5' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$5,250.00		
565	361	30-inch Sewer 5' to 7' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$16,200.00		
566	361	30-inch Sewer 7' to 9' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$173,082.00		
567	361	30-inch Sewer 9' to 11' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$68,040.00		
568	361	30-inch PVC Sewer 11' to 13' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$27,720.00		
569	361	30-inch PVC Sewer over 13' deep	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$49,650.00		
570	361	30-inch DIP Encase Stream Xing	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$3,500.00		
571	361	30-inch sewer connections	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$2,000.00		
572	361	Miscellaneous Concrete	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$1,500.00		
573	361	5-foot Manholes, 5'-0" or less depth	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$42,500.00		

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ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
574	361	Extra Depth Manholes over 5'-0"	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$7,500.00		
575	361	PADOT Highway Crossing	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$12,000.00		
576	361	Grout Road Bore (C.O. No. 1)	Contract 7-92 - Kinzua Road Interceptor Sewer	1994	\$4,800.00		
577	361	Exploratory Excavations	Contract 93-1 - West Kane Area Sewer	1995	\$200.00		
578	361	Special Backfill	Contract 93-1 - West Kane Area Sewer	1995	\$18,972.80		
579	361	Mobilization/Demobilization	Contract 93-1 - West Kane Area Sewer	1995	\$13,000.00		
580	361	Bituminous Pavement Trench Restoration	Contract 93-1 - West Kane Area Sewer	1995	\$9,769.73		
581	361	Change Order 1	Contract 93-1 - West Kane Area Sewer	1995	\$1,505.00		
582	361	a. 0-8 Ft Deep	Contract 93-1 - West Kane Area Sewer	1995	\$134,684.00		
583	361	b. 8-12 Ft Deep	Contract 93-1 - West Kane Area Sewer	1995	\$49,680.00		
584	361	Manholes	Contract 93-1 - West Kane Area Sewer	1995	\$67,620.00		
585	361	Concrete Encasement	Contract 93-1 - West Kane Area Sewer	1995	\$720.00		
586	361	Concrete Thrust Blocks	Contract 93-1 - West Kane Area Sewer	1995	\$0.00		
587	361	Air Testing - Sewers	Contract 93-1 - West Kane Area Sewer	1995	\$4,138.00		
588	361	Hydrostatic Testing - FM	Contract 93-1 - West Kane Area Sewer	1995	\$1,330.50		
589	361	Vacuum Testing - MH	Contract 93-1 - West Kane Area Sewer	1995	\$4,100.00		

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590	361	Internal TV Inspection Sewers	Contract 93-1 - West Kane Area Sewer	1995	\$4,652.40		
591	361	Exploratory Excavation	Contract 93-2 - Route 66 Area Sewers	1996	\$100.00		
592	361	Special Backfill	Contract 93-2 - Route 66 Area Sewers	1996	\$27,528.00		
593	361	Mobilization/Demobilization	Contract 93-2 - Route 66 Area Sewers	1996	\$21,000.00		
594	361	Bituminous Pavement Trench Restoration	Contract 93-2 - Route 66 Area Sewers	1996	\$23,072.10		
595	361	0-8 Ft Deep	Contract 93-2 - Route 66 Area Sewers	1996	\$178,541.00		
596	361	8-12 Ft Deep	Contract 93-2 - Route 66 Area Sewers	1996	\$87,192.00		
597	361	12 - 16 Ft Deep	Contract 93-2 - Route 66 Area Sewers	1996	\$9,558.00		
598	361	12" Diameter Bore	Contract 93-2 - Route 66 Area Sewers	1996	\$7,200.00		
599	361	16" Diameter Bore	Contract 93-2 - Route 66 Area Sewers	1996	\$22,475.00		
600	361	Manholes	Contract 93-2 - Route 66 Area Sewers	1996	\$97,324.00		
601	361	Concrete Encasement	Contract 93-2 - Route 66 Area Sewers	1996	\$1,800.00		
602	361	Concrete Thrust Blocks	Contract 93-2 - Route 66 Area Sewers	1996	\$400.00		
603	361	Air Testing Sewer	Contract 93-2 - Route 66 Area Sewers	1996	\$6,827.75		
604	361	Hydrostatic Testing - FM	Contract 93-2 - Route 66 Area Sewers	1996	\$5,341.50		
605	361	Vacuum Test Manholes	Contract 93-2 - Route 66 Area Sewers	1996	\$6,000.00		

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606	361	Internal TV Inspection	Contract 93-2 - Route 66 Area Sewers	1996	\$7,261.50		
607	361	Manhole Frames and Covers	Contract 93-2 - Route 66 Area Sewers	1996	\$12,600.00		
608	361	Inflow Protectors	Contract 93-2 - Route 66 Area Sewers	1996	\$2,400.00		
609	361	Exploratory Excavation	Contract 93-3 - Westwind Area Sewers	1996	\$1,500.00		
610	361	Special Backfill	Contract 93-3 - Westwind Area Sewers	1996	\$43,828.48		
611	361	Mobilization/Demobilization	Contract 93-3 - Westwind Area Sewers	1996	\$9,917.40		
612	361	Bituminous Pavement Trench Restoration	Contract 93-3 - Westwind Area Sewers	1996	\$12,200.50		
613	361	Field Office	Contract 93-3 - Westwind Area Sewers	1996	\$6,500.00		
614	361	Bituminous Paving	Contract 93-3 - Westwind Area Sewers	1996	\$74,152.00		
615	361	Job Trailer Time Extension	Contract 93-3 - Westwind Area Sewers	1996	\$1,083.34		
616	361	0-8 Ft Deep	Contract 93-3 - Westwind Area Sewers	1996	\$268,037.50		
617	361	8-12 Ft Deep	Contract 93-3 - Westwind Area Sewers	1996	\$178,837.50		
618	361	12 - 16 Ft Deep	Contract 93-3 - Westwind Area Sewers	1996	\$33,962.50		
619	361	18" Diameter Bore	Contract 93-3 - Westwind Area Sewers	1996	\$45,400.00		
620	361	Manholes	Contract 93-3 - Westwind Area Sewers	1996	\$91,816.20		
621	361	Concrete Encasement	Contract 93-3 - Westwind Area Sewers	1996	\$5,000.00		

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622	361	Concrete Thrust Blocks	Contract 93-3 - Westwind Area Sewers	1996	\$200.00		
623	361	Air Testing Sewer	Contract 93-3 - Westwind Area Sewers	1996	\$4,525.40		
624	361	Hydrostatic Testing-FM	Contract 93-3 - Westwind Area Sewers	1996	\$1,150.50		
625	361	Vacuum Test Manholes	Contract 93-3 - Westwind Area Sewers	1996	\$4,450.00		
626	361	Internal TV Inspection	Contract 93-3 - Westwind Area Sewers	1996	\$7,697.60		
627	361	Manhole Frames and Covers	Contract 93-3 - Westwind Area Sewers	1996	\$23,140.00		
628	361	Inflow Protectors	Contract 93-3 - Westwind Area Sewers	1996	\$1,200.00		
629	361	Manhole Ring Adjustment	Contract 93-3 - Westwind Area Sewers	1996	\$3,250.00		
630	361	Exploratory Excavations	Contract 93-4 - East Kane Sewer	1995	\$800.00		
631	361	Special Backfill	Contract 93-4 - East Kane Sewer	1995	\$857.31		
632	361	Mobilization/Demobilization	Contract 93-4 - East Kane Sewer	1995	\$85,000.00		
633	361	Bituminous Pavement Trench Restoration	Contract 93-4 - East Kane Sewer	1995	\$19,200.00		
634	361	Furnish and Install (6) signs to locate Force Main	Contract 93-4 - East Kane Sewer	1995	\$900.00		
635	361	Dug up Bore Pit then backfilled it in	Contract 93-4 - East Kane Sewer	1995	\$1,740.06		
636	361	a. 0-8 Ft Deep	Contract 93-4 - East Kane Sewer	1995	\$341,469.90		
637	361	b. 8-12 Ft. Deep	Contract 93-4 - East Kane Sewer	1995	\$139,050.00		

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638	361	16" Diameter Steel Casing Boring	Contract 93-4 - East Kane Sewer	1995	\$132,300.00		
639	361	Manholes	Contract 93-4 - East Kane Sewer	1995	\$99,451.80		
640	361	Concrete Encasement	Contract 93-4 - East Kane Sewer	1995	\$37,050.00		
641	361	Concrete Thrust Blocks	Contract 93-4 - East Kane Sewer	1995	\$3,960.00		
642	361	Air Testing - Sewers	Contract 93-4 - East Kane Sewer	1995	\$1,881.13		
643	361	Hydrostatic Testing - FM	Contract 93-4 - East Kane Sewer	1995	\$2,710.50		
644	361	Vacuum Testing - MH	Contract 93-4 - East Kane Sewer	1995	\$102.00		
645	361	Internal TV Inspection Sewers	Contract 93-4 - East Kane Sewer	1995	\$8,711.15		
646	361	Manholes Frame & Covers	Contract 93-4 - East Kane Sewer	1995	\$25,250.00		
647	361	Inflow Protectors	Contract 93-4 - East Kane Sewer	1995	\$1,200.00		
648	361	Special Backfill	Contract 93-5 - Greendale Area Sewers	1996	\$4,086.00		
649	361	Air Testing Sewer	Contract 93-5 - Greendale Area Sewers	1996	\$2,208.40		
650	361	Mobilization/Demobilization	Contract 93-5 - Greendale Area Sewers	1996	\$16,000.00		
651	361	Bituminous Pavement Trench Restoration	Contract 93-5 - Greendale Area Sewers	1996	\$11,079.45		
652	361	0-8 Ft Deep	Contract 93-5 - Greendale Area Sewers	1996	\$315,169.00		
653	361	8-12 Ft Deep	Contract 93-5 - Greendale Area Sewers	1996	\$161,973.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
654	361	12 - 16 Ft Deep	Contract 93-5 - Greendale Area Sewers	1996	\$54,985.00		
655	361	Over 16 Ft Deep	Contract 93-5 - Greendale Area Sewers	1996	\$39,480.00		
656	361	16" Diameter Bore	Contract 93-5 - Greendale Area Sewers	1996	\$9,000.00		
657	361	18" Diameter Bore	Contract 93-5 - Greendale Area Sewers	1996	\$13,500.00		
658	361	Manholes	Contract 93-5 - Greendale Area Sewers	1996	\$96,279.15		
659	361	Concrete Encasement	Contract 93-5 - Greendale Area Sewers	1996	\$3,000.00		
660	361	Exploratory Excavation	Contract 93-5 - Greendale Area Sewers	1996	\$1,950.00		
661	361	Vacuum Test Manholes	Contract 93-5 - Greendale Area Sewers	1996	\$5,050.00		
662	361	Internal TV Inspection	Contract 93-5 - Greendale Area Sewers	1996	\$22,260.00		
663	361	Manhole Frames and Covers	Contract 93-5 - Greendale Area Sewers	1996	\$26,500.00		
664	361	Inflow Protectors	Contract 93-5 - Greendale Area Sewers	1996	\$840.00		
665	361	Exploratory Excavations	Contract 93-6 - Northwest Area Sewers	1995	\$300.00		
666	361	Special Backfill	Contract 93-6 - Northwest Area Sewers	1995	\$10,630.80		
667	361	Mobilization/Demobilization	Contract 93-6 - Northwest Area Sewers	1995	\$3,000.00		
668	361	Bituminous Pavement Trench Restoration	Contract 93-6 - Northwest Area Sewers	1995	\$2,280.00		
669	361	0-8 Ft Deep	Contract 93-6 - Northwest Area Sewers	1995	\$20,016.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
670	361	8-12 Ft. Deep	Contract 93-6 - Northwest Area Sewers	1995	\$54,483.00		
671	361	12-16 Ft. Deep	Contract 93-6 - Northwest Area Sewers	1995	\$46,942.00		
672	361	12" Diameter Boring	Contract 93-6 - Northwest Area Sewers	1995	\$5,100.00		
673	361	16" Diameter Boring	Contract 93-6 - Northwest Area Sewers	1995	\$18,000.00		
674	361	Manholes	Contract 93-6 - Northwest Area Sewers	1995	\$57,504.60		
675	361	Concrete Encasement	Contract 93-6 - Northwest Area Sewers	1995	\$700.00		
676	361	Concrete Thrust Blocks	Contract 93-6 - Northwest Area Sewers	1995	\$270.00		
677	361	Air Testing - Sewers	Contract 93-6 - Northwest Area Sewers	1995	\$2,508.05		
678	361	Hydrostatic Testing - FM	Contract 93-6 - Northwest Area Sewers	1995	\$2,692.00		
679	361	Vacuum Testing- MH	Contract 93-6 - Northwest Area Sewers	1995	\$2,480.00		
680	361	Internal TV Inspection Sewers	Contract 93-6 - Northwest Area Sewers	1995	\$3,640.50		
681	361	Manholes Frame & Covers	Contract 93-6 - Northwest Area Sewers	1995	\$5,800.00		
682	361	Inflow Protectors	Contract 93-6 - Northwest Area Sewers	1995	\$1,200.00		
683	361	18" PVC Sewer Pipe	West Run Interceptor Project	2001	\$72,568.33		
684	361	24" PVC Sewer Pipe	West Run Interceptor Project	2001	\$123,106.99		
685	361	306" PVC Sewer Pipe	West Run Interceptor Project	2001	\$76,455.92		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
686	361	Manholes	West Run Interceptor Project	2001	\$21,600.00		
687	361	Northwest Project		2007	\$500.00		
688	361	Sewer line replacement (Hospital)		2013	\$25,496.32		
689	361	Sewer line replacement (Park Ave)		2013	\$17,224.58		
690	361	Sewer line extension (Birch and Elk)		2013	\$7,974.80		
691	361	Sewer Line Shady Point		1998	\$14,800.55		
692	361	Sewer Line exten		1999	\$10,503.00		
693	361	Holman St -Sanitary Sewer Prj		2002	\$36,577.50		
694	361	Highland Ave Sewer Line		2003	\$7,500.00		
695	361	North Fraley Street Project		2009	\$5,568.41		
696	361	Wilson Run Project		2012	\$28,919.97		
697	361	Sewer Manhole		2016	\$10,819.18		
SUB-TOTAL =						\$5,587,425.86	

363 - Services to Customers

698	363	6" PVC Service Sewer	Contract 2003-2 - General/Mechanical Construction	2004	\$660.00		
699	363	8" x 6" PVC Wye	Contract 2003-2 - General/Mechanical Construction	2004	\$25.00		
700	363	Service Connections	Contract 93-1 - West Kane Area Sewer	1995	\$3,225.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
701	363	6" Diameter Service Sewer	Contract 93-1 - West Kane Area Sewer	1995	\$22,106.50		
702	363	Sewer Connections	Contract 93-2 - Route 66 Area Sewers	1996	\$6,600.00		
703	363	6" Diameter Service Sewer	Contract 93-2 - Route 66 Area Sewers	1996	\$29,507.00		
704	363	Service Connections	Contract 93-3 - Westwind Area Sewers	1996	\$5,700.00		
705	363	6" Diameter Service Sewer	Contract 93-3 - Westwind Area Sewers	1996	\$70,965.00		
706	363	Service Connections	Contract 93-4 - East Kane Sewer	1995	\$1,925.00		
707	363	6" Diameter Service Sewer	Contract 93-4 - East Kane Sewer	1995	\$27,750.00		
708	363	Sewer Connections	Contract 93-5 - Greendale Area Sewers	1996	\$4,440.00		
709	363	6" Diameter Service Sewer	Contract 93-5 - Greendale Area Sewers	1996	\$36,150.00		
710	363	Service Connections	Contract 93-6 - Northwest Area Sewers	1995	\$2,080.00		
711	363	6" Diameter Service Sewer	Contract 93-6 - Northwest Area Sewers	1995	\$7,476.00		
SUB-TOTAL =						\$218,609.50	

364 - Flow Measuring Devices

712	364	Greyline SLT 5.0 Flow Meter - Kinzua	Borough of Kane Original Cost of Inventory/Assets	2016	\$2,651.02		
713	364	Flowmeters (2)		1996	\$9,125.00		
714	364	Flowmeters (2)		1998	\$9,853.53		
715	364	3 Pen Chart recorder		2011	\$3,692.00		
SUB-TOTAL =						\$25,321.55	

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
371 - Pumping Equipment							
716	371	Allegheny Power	Allegheny Power		\$ 22,044.03		
717	371	2 Flanged Check Valve Levers - Rt 66 Pump	Borough of Kane Original Cost of Inventory/Assets	2015	\$5,078.11		
718	371	Pump Rebuild - West Kane Pump Station	Borough of Kane Original Cost of Inventory/Assets	2015	\$4,135.70		
719	371	Rebuilt Pump	Borough of Kane Original Cost of Inventory/Assets	2015	\$772.23		
720	371	Amp Soft Start - Wilson Run	Borough of Kane Original Cost of Inventory/Assets	2015	\$3,438.85		
721	371	IntraLink LC150 Lift Components Wilson Run	Borough of Kane Original Cost of Inventory/Assets	2016	\$7,412.98		
722	371	Pump Station	Contract 2003-2 - General/Mechanical Construction	2004	\$98,500.00		
723	371	Change Order No. 1	Contract 93-7 - Change Orders	1996	-\$21,000.00		
724	371	Change Order No. 2	Contract 93-7 - Change Orders	1996	\$1,872.00		
725	371	Change Order No. 3	Contract 93-7 - Change Orders	1996	\$6,600.00		
726	371	Change Order No. 4	Contract 93-7 - Change Orders	1996	\$1,833.00		
727	371	Change Order No. 5	Contract 93-7 - Change Orders	1996	\$2,090.40		
728	371	Mobilization, Bonds, and Ins	Contract 93-7 - East Kane Pump Station	1996	\$2,000.00		
729	371	Clear and Grub	Contract 93-7 - East Kane Pump Station	1996	\$800.00		
730	371	Grade and Seed	Contract 93-7 - East Kane Pump Station	1996	\$1,530.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
731	371	Access Road and Parking Area	Contract 93-7 - East Kane Pump Station	1996	\$3,350.00		
732	371	Chain Link Fence	Contract 93-7 - East Kane Pump Station	1996	\$4,400.00		
733	371	Electrical	Contract 93-7 - East Kane Pump Station	1996	\$9,656.00		
734	371	Precast Structures Complete	Contract 93-7 - East Kane Pump Station	1996	\$29,283.00		
735	371	Trash Basket	Contract 93-7 - East Kane Pump Station	1996	\$1,200.00		
736	371	Sewage Pumps and Controls	Contract 93-7 - East Kane Pump Station	1996	\$44,985.00		
737	371	Piping Complete	Contract 93-7 - East Kane Pump Station	1996	\$13,622.00		
738	371	Mobilization, Bonds, and Ins	Contract 93-7 - Northwest Pump Station	1996	\$2,000.00		
739	371	Clear and Grub	Contract 93-7 - Northwest Pump Station	1996	\$1,200.00		
740	371	Grade and Seed	Contract 93-7 - Northwest Pump Station	1996	\$1,655.00		
741	371	Access Road and Parking Area	Contract 93-7 - Northwest Pump Station	1996	\$5,900.00		
742	371	Chain Link Fence	Contract 93-7 - Northwest Pump Station	1996	\$4,575.00		
743	371	Electrical	Contract 93-7 - Northwest Pump Station	1996	\$9,660.00		
744	371	Precast Structures Complete	Contract 93-7 - Northwest Pump Station	1996	\$27,308.00		
745	371	Trash Basket	Contract 93-7 - Northwest Pump Station	1996	\$1,200.00		
746	371	Sewage Pumps and Controls	Contract 93-7 - Northwest Pump Station	1996	\$45,062.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
747	371	Piping Complete	Contract 93-7 - Northwest Pump Station	1996	\$13,775.00		
748	371	Mobilization, Bonds, and Ins	Contract 93-7 - Route 66 Pump Station	1996	\$2,000.00		
749	371	Clear and Grub	Contract 93-7 - Route 66 Pump Station	1996	\$1,200.00		
750	371	Grade and Seed	Contract 93-7 - Route 66 Pump Station	1996	\$2,390.00		
751	371	Access Road and Parking Area	Contract 93-7 - Route 66 Pump Station	1996	\$5,800.00		
752	371	Chain Link Fence	Contract 93-7 - Route 66 Pump Station	1996	\$3,750.00		
753	371	Electrical	Contract 93-7 - Route 66 Pump Station	1996	\$9,660.00		
754	371	Precast Structures Complete	Contract 93-7 - Route 66 Pump Station	1996	\$33,699.00		
755	371	Comminutor	Contract 93-7 - Route 66 Pump Station	1996	\$15,686.00		
756	371	Sewage Pumps and Controls	Contract 93-7 - Route 66 Pump Station	1996	\$45,002.00		
757	371	Piping Complete	Contract 93-7 - Route 66 Pump Station	1996	\$14,180.00		
758	371	Mobilization, Bonds, and Ins	Contract 93-7 - West Run Pump Station	1996	\$2,000.00		
759	371	Clear and Grub	Contract 93-7 - West Run Pump Station	1996	\$1,200.00		
760	371	Grade and Seed	Contract 93-7 - West Run Pump Station	1996	\$2,656.00		
761	371	Access Road and Parking Area	Contract 93-7 - West Run Pump Station	1996	\$3,630.00		
762	371	Chain Link Fence	Contract 93-7 - West Run Pump Station	1996	\$3,400.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
763	371	Electrical	Contract 93-7 - West Run Pump Station	1996	\$9,740.00		
764	371	Precast Structures Complete	Contract 93-7 - West Run Pump Station	1996	\$31,969.00		
765	371	Trash Basket	Contract 93-7 - West Run Pump Station	1996	\$1,445.00		
766	371	Sewage Pumps and Controls	Contract 93-7 - West Run Pump Station	1996	\$43,160.00		
767	371	Piping Complete	Contract 93-7 - West Run Pump Station	1996	\$9,240.00		
768	371	Mobilization, Bonds, and Ins	Contract 93-7 - Westwind Pump Station	1996	\$2,000.00		
769	371	Clear and Grub	Contract 93-7 - Westwind Pump Station	1996	\$800.00		
770	371	Grade and Seed	Contract 93-7 - Westwind Pump Station	1996	\$1,450.00		
771	371	Access Road and Parking Area	Contract 93-7 - Westwind Pump Station	1996	\$2,750.00		
772	371	Chain Link Fence	Contract 93-7 - Westwind Pump Station	1996	\$3,575.00		
773	371	Electrical	Contract 93-7 - Westwind Pump Station	1996	\$9,660.00		
774	371	Precast Structures Complete	Contract 93-7 - Westwind Pump Station	1996	\$24,060.00		
775	371	Trash Basket	Contract 93-7 - Westwind Pump Station	1996	\$1,445.00		
776	371	Sewage Pumps and Controls	Contract 93-7 - Westwind Pump Station	1996	\$44,210.00		
777	371	Piping Complete	Contract 93-7 - Westwind Pump Station	1996	\$10,285.00		
778	371	Mobilization, Bonds, and Ins	Contract 93-7 - Wilson Run Pump Station	1996	\$2,000.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
779	371	Clear and Grub	Contract 93-7 - Wilson Run Pump Station	1996	\$1,200.00		
780	371	Grade and Seed	Contract 93-7 - Wilson Run Pump Station	1996	\$3,155.00		
781	371	Access Road and Parking Area	Contract 93-7 - Wilson Run Pump Station	1996	\$4,850.00		
782	371	Chain Link Fence	Contract 93-7 - Wilson Run Pump Station	1996	\$3,400.00		
783	371	Electrical	Contract 93-7 - Wilson Run Pump Station	1996	\$9,792.00		
784	371	Precast Structures Complete	Contract 93-7 - Wilson Run Pump Station	1996	\$29,965.00		
785	371	Comminutor	Contract 93-7 - Wilson Run Pump Station	1996	\$15,686.00		
786	371	Sewage Pumps and Controls	Contract 93-7 - Wilson Run Pump Station	1996	\$44,910.00		
787	371	Piping Complete	Contract 93-7 - Wilson Run Pump Station	1996	\$14,189.00		
788	371	Pump Station - Wilson Run (Allied Systems)		2012	\$3,062.68		
789	371	Upgrade Lift & Rigg (Atlantic Eastern)		2012	\$5,737.61		
790	371	Check Valves - Wilson Run (Allied Systems)		2013	\$4,401.49		
791	371	Sludge Pumos		1997	\$4,452.93		
792	371	Trombold Equip		2001	\$26,099.75		
793	371	Trombold Equipment		2002	\$1,482.56		
794	371	Submersible Pump		2004	\$4,200.00		

**APPENDIX A - WASTEWATER SYSTEM
 ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
795	371	Vertical Turbine Pump		2006	\$11,079.80		
796	371	ABS pump		2006	\$4,200.00		
797	371	Wilson Run Pump (Kaabe Associates)		2012	\$9,000.00		
798	371	Control Unit & Interface Module - Wilson Run		2015	\$3,893.50		
799	371	Horse Power Pump		2015	\$6,325.00		
800	371	Sluice Pump		2015	\$10,200.00		
801	371	ABS/Sluice Pump		2015	\$10,200.00		
802	371	Pump Station-Jo Jo Road		2002	\$6,417.89		
803	371	Wilson Run Pump (Atlantic Eastern)		2012	\$2,281.95		
804	371	Wilson Run Pump (Kane Lawn & Garden)		2012	\$2,138.60		
SUB-TOTAL =						\$941,801.06	

380 - Treatment and Disposal Equipment

805	380	Pine St WWTP	1967 Project	1968	\$116,413.00		There were 7 structures at each plant, of which 4 remain or were repurposed. Percent of original value remaining is 57%. Residual is then 57% of \$203,723.
806	380	Kinzua Rd. WWTP	1967 Project	1968	\$116,413.00		There were 7 structures at each plant, of which 4 remain or were repurposed. Percent of original value remaining is 57%. Residual is then 57% of \$203,724.
807	380	Membrane Disc	Borough of Kane Original Cost of Inventory/Assets	2003	\$4,517.00		
808	380	Submersible Pump	Borough of Kane Original Cost of Inventory/Assets	2004	\$2,700.00		
809	380	Membrane Discs	Borough of Kane Original Cost of Inventory/Assets	2004	\$3,600.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
810	380	Transducer Unit	Borough of Kane Original Cost of Inventory/Assets	2009	\$5,084.75		
811	380	Fiberglass Specialties (weir plates/scum baffles) (Chlorine Contact Tank)	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,100.00		
812	380	Install Temp Chlorine Contact Tank (Existing Digester Tank)	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$6,000.00		
813	380	Remove Clarifier Equipment	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,960.00		
814	380	Remove Floating Cover, Heat Exchanger, Sludge Recirc., Pumps, Gas Burner	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$8,167.00		
815	380	Remove Pumps, Heat Exchanger, Boiler Equip. from Control Building	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$980.00		
816	380	Remove Primary Clarifier Equip	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,634.00		
817	380	Remove Trickling Filter Equip	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,960.00		
818	380	Remove Chlorine Contact Equip	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,138.00		
819	380	Mech. Cleaned Bar Screen	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$42,250.00		
820	380	Circ. Grit Removal Unit	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$67,180.00		
821	380	Sequential Batch Reactors	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$554,245.00		
822	380	Positive Displacement Pumps	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$27,750.00		
823	380	Vert. Lineshaft Cent. Pumps	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$35,300.00		
824	380	Submersible Pumps	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$15,600.00		
825	380	Grinder Pumps	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$8,550.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
826	380	Positive Displacement Blowers	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$34,800.00		
827	380	Air Diffuser System	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$30,235.00		
828	380	Chlorine System	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$12,200.00		
829	380	Sampler	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,670.00		
830	380	Sluice Gates	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$14,460.00		
831	380	Air Flor Monitoring Equip	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$12,400.00		
832	380	Panel PP3	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$2,500.00		
833	380	Panel PP1	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$2,500.00		
834	380	Panel PP2	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$2,500.00		
835	380	Effluent Water Pump Control Pl	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$15,000.00		
836	380	Blower Panel	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$4,000.00		
837	380	Telephone Dialer PL	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$3,696.00		
838	380	Chart Recorder	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$3,000.00		
839	380	Magnetic Flowmeter	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$12,000.00		
840	380	Ultrasonic Flowmeter	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$4,000.00		
841	380	PH Sensor	Contract 2-92 - Pine Street WWTP (Electrical)	1995-96	\$4,000.00		

**APPENDIX A - WASTEWATER SYSTEM
 ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
842	380	Fiberglass Weirs & Baffles (Chlorine Contact Tank)	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$4,000.00		
843	380	Mechanical Bar Screen Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$37,700.00		
844	380	Mechanical Bar Screen Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$6,700.00		
845	380	Circ. Grit Removal Unit Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$59,205.00		
846	380	Circ. Grit Removal Unit Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$13,995.00		
847	380	Septage Acceptance Unit - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$63,949.00		
848	380	Septage Acceptance Unit - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$10,251.00		
849	380	Sequential Batch Reactor - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$492,958.00		
850	380	Sequential Batch Reactor - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$69,000.00		
851	380	Positive Displacement Pump-Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$73,125.00		
852	380	Positive Displacement Pump-Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$12,375.00		
853	380	Vert. Lineshaft Center Pumps - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$30,200.00		
854	380	Vert. Lineshaft Center Pumps - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$5,800.00		
855	380	Submersible Pump - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$21,824.00		
856	380	Submersible Pump - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$5,376.00		
857	380	Grinder Pumps - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$7,055.00		

**APPENDIX A - WASTEWATER SYSTEM
 ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
858	380	Grinder Pumps - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$4,245.00		
859	380	Belt Filter Press - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$162,717.00		
860	380	Belt Filter Press - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$25,083.00		
861	380	Belt Conveyors - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$23,719.00		
862	380	Belt Conveyors - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$5,981.00		
863	380	Positive Displacement Blower - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$36,040.00		
864	380	Positive Displacement Blower - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$6,460.00		
865	380	Chemical Dry Feeders - mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$12,500.00		
866	380	Chemical Dry Feeders - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$2,500.00		
867	380	Air Diffusers System - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$29,000.00		
868	380	Air Diffusers System - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$13,800.00		
869	380	Polymer Feed System - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$15,200.00		
870	380	Polymer Feed System - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$3,800.00		
871	380	Chlorination System - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$19,563.00		
872	380	Chlorination System - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$4,837.00		
873	380	Samplers - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$3,750.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
874	380	Samplers - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$750.00		
875	380	Sluice Gates - Mat	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$11,900.00		
876	380	Sluice Gates - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$1,900.00		
877	380	Panel PP1	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$2,500.00		
878	380	Panel PP2	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$2,500.00		
879	380	Panel PP3	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$2,500.00		
880	380	Effluent Water Pump Control PL	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$10,000.00		
881	380	Blower Control PL	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$4,000.00		
882	380	Line Water Control Panel	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$2,000.00		
883	380	WAS Remote Panel	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$3,000.00		
884	380	Telephone Dialer	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$3,000.00		
885	380	Chart Recorder	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$3,000.00		
886	380	Magnetic Flowmeter	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$9,000.00		
887	380	Ultrasonic Flowmeter	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$4,000.00		
888	380	PH Sensor	Contract 5-92 - Kinzua Wastewater Treatment Plant (Electrical)	1995-96	\$3,000.00		
889	380	Hand Scanner		1995	\$186.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
890	380	Vacuum Truck		1995	\$146,700.00		
891	380	Air Smoke Machine		1999	\$1,809.07		
892	380	BNR Inc		2001	\$39,180.00		
893	380	U.S. Filter		2002	\$69,580.00		
894	380	Grit Concentrator		2013	\$4,247.00		
895	380	(2) Gas Chlorinators		2014	\$5,383.67		
896	380	Actuator		2016	\$4,322.78		
897	380	Pitsa Grit 250GPM Concentrator		2016	\$4,247.00		
898	380	Actuator		2017	\$4,574.00		
899	380	Controller		2017	\$2,357.10		
900	380	Pine Street Plant (Allied Systems)		2015	\$54,465.52		
901	380	Pine Street Plant (SE Dyne)		2015	\$1,806.88		Replace air lines to SBRs (4)
902	380	Pine Street Plant (SE Dyne)		2015	\$12,945.00		Replace air lines to SBRs (4)
903	380	Pine Street Plant (SE Dyne)		2015	\$446.66		Replace air lines to SBRs (4)
904	380	WWTP Dechlor. Proj.		2002	\$17,723.35		
905	380	8" valve - Pine St. Plant		2004	\$3,332.72		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
906	380	Air Line Project		2012	\$55,294.49		Replace air lines to SBRs (4)
907	380	Actuator & Interface Cards		2016	\$13,324.25		
908	380	Root Blower (Pine St WWTP)		2018	\$ 8,500.00		
909	380	Area Velocity Analyzer and Logger (Pine St WWTP)		2018	\$ 4,172.92		
910	380	Area Velocity Probe and Appurtenances (Pine St WWTP)		2018	\$ 1,729.51		
SUB-TOTAL =						\$3,003,588.67	

381 - Plant Sewers

911	381	Lever & Weight Swing Check Valve - Kinzua	Borough of Kane Original Cost of Inventory/Assets	2016	\$3,779.83		
912	381	Manholes/Vaults	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$28,600.00		
913	381	Manholes	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$24,750.00		
914	381	Gas Piping	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,000.00		
915	381	Wall Sleeves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$23,625.00		
916	381	1/2" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$280.00		
917	381	1" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$360.00		
918	381	1 1/2" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$3,080.00		
919	381	2" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$2,800.00		
920	381	3" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$480.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
921	381	6" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$11,500.00		
922	381	24" PVC Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$10,400.00		
923	381	6" DI Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$80,000.00		
924	381	8" DI Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$8,580.00		
925	381	14" DI Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$880.00		
926	381	16" DI Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$6,120.00		
927	381	24" DI Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$69,120.00		
928	381	3" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$310.00		
929	381	4" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$5,375.00		
930	381	6" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$19,890.00		
931	381	8" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$275.00		
932	381	12" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$134.00		
933	381	14" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$29,750.00		
934	381	16" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$5,320.00		
935	381	24" DI Process Pipe & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,900.00		
936	381	1/2" Copper Tube & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$300.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
937	381	3/4" Copper Tube & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$6,080.00		
938	381	1" Copper Tube & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,520.00		
939	381	2" Copper Tube & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,800.00		
940	381	2 1/2" Copper Tube & Ftgs	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$11,160.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
941	381	1/2" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$182.00		
942	381	3/4" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,350.00		
943	381	1" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$475.00		
944	381	2" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$573.00		
945	381	3" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$460.00		
946	381	4" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$25,545.00		
947	381	6" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$57,330.00		
948	381	8" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$3,323.00		
949	381	16" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$6,400.00		
950	381	24" Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$59,150.00		
951	381	Valves Boxes	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$5,580.00		
952	381	Mud Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,970.00		
953	381	Yard Hydrants	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$9,405.00		
954	381	Hose Reels	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$5,670.00		
955	381	Relief Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$3,000.00		
956	381	Telescopic Valves	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$3,850.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
957	381	Stop Gates	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$4,200.00		
958	381	Gauges	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,122.00		
959	381	Backflow Preventers	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$2,760.00		
960	381	Interior Process Piping - Mat.	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$37,500.00		
961	381	Interior Process Piping - Install	Contract 4-92 - Kinzua Wastewater Treatment Plant General/Mechanical	1995-96	\$12,500.00		
962	381	CSO Modification		1999	\$11,996.14		
963	381	Pine St. - Combined Sewer Overflow		2003	\$418,386.64		
964	381	WWTP slipstream		2002	\$18,769.10		
965	381	CSO Bypass - Weir Install		2004	\$33,243.90		
966	381	CSO Bypass - Weir Install		2004	\$600.00		
SUB-TOTAL =						\$1,093,509.61	

389 - Other Plant and Misc Equipment

967	389	2 Control Panels		2003	\$580.00		
SUB-TOTAL =						\$580.00	

390 - Office Furniture and Equipment

968	390	Safety Can Cabinet - 45 Gallon	Borough of Kane Original Cost of Inventory/Assets	2016	\$2,141.90		
969	390	Computer		1992	\$1,720.71		
970	390	Billing Package		1993	\$1,200.00		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
971	390	Kane Borough		2012	\$400.00		Reimburse 1/2 copier cost
972	390	Computer		2003	\$6,666.16		
973	390	Printer		2003	\$491.35		
974	390	Billing Software		2003	\$5,000.00		
975	390	Computer Equip.		2003	\$1,628.11		
976	390	Delinquent Billing Software		2005	\$3,000.00		
977	390	Crystal Reports Software		2004	\$205.00		
978	390	Plant software		2011	\$6,887.33		
979	390	Software & Computer (Integrated Controls)		2012	\$5,301.79		
SUB-TOTAL =						\$34,642.35	

391 - Transportation Equipment

980	391	1996 Ford F150 - Zook	Borough of Kane Original Cost of Inventory/Assets	1995	\$20,538.60		
981	391	2016 Ford F350		2016	\$31,688.72		
SUB-TOTAL =						\$52,227.32	

392 - Stores Equipment

982	392	Crane, Rear Bumper, & Aluminum Bed		2017	\$10,000.00		
SUB-TOTAL =						\$10,000.00	

393 - Tools, Shop, and Garage Equipment

983	393	Trash Pumps	Borough of Kane Original Cost of Inventory/Assets	1998	\$5,787.90		
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**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
984	393	Electric Motor	Borough of Kane Original Cost of Inventory/Assets	1999	\$3,377.85		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
985	393	Electric Pump	Borough of Kane Original Cost of Inventory/Assets	1999	\$3,966.61		
986	393	Glass Washing Machine	Borough of Kane Original Cost of Inventory/Assets	1999	\$4,555.20		
987	393	Rebuilt Pump	Borough of Kane Original Cost of Inventory/Assets	2002	\$4,970.00		
988	393	Rebuilt Pump	Borough of Kane Original Cost of Inventory/Assets	2002	\$2,514.74		
989	393	Pump	Borough of Kane Original Cost of Inventory/Assets	2003	\$2,756.87		
990	393	Pump	Borough of Kane Original Cost of Inventory/Assets	2003	\$2,756.87		
991	393	Boiler	Borough of Kane Original Cost of Inventory/Assets	2006	\$7,783.00		
992	393	Boiler - Pine St Treatment Plant	Borough of Kane Original Cost of Inventory/Assets	2009	\$5,497.00		
993	393	Rebuild Pump	Borough of Kane Original Cost of Inventory/Assets	2015	\$4,990.00		
994	393	Pump - East Kane Pond Lift Station	Borough of Kane Original Cost of Inventory/Assets	2015	\$4,739.23		
995	393	Electric Actuator	Borough of Kane Original Cost of Inventory/Assets	2015	\$4,398.09		
996	393	2 Sensors	Borough of Kane Original Cost of Inventory/Assets	2015	\$2,191.00		
997	393	2 Sensors	Borough of Kane Original Cost of Inventory/Assets	2015	\$1,995.00		
998	393	LMI Chemical Feed Pump	Borough of Kane Original Cost of Inventory/Assets	2016	\$1,082.66		
999	393	Volute Aqua Cl CW 4"	Borough of Kane Original Cost of Inventory/Assets	2016	\$3,131.77		
1000	393	Hydrant Meter		2004	\$894.10		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
1001	393	Circuit Board		2004	\$621.45		
1002	393	Trinity Boiler - Kinzua Plant (Allied)		2013	\$6,242.00		
1003	393	ABS Pump		2016	\$3,400.00		
1004	393	Actuator		2016	\$4,322.61		
SUB-TOTAL =						\$81,973.95	

394 - Laboratory Equipment

1005	394	Ion Meters - Fisher (2)	Borough of Kane Original Cost of Inventory/Assets	1995	\$2,319.38		
1006	394	Rain Gauge		2003	\$3,481.01		
1007	394	Mechanical Oven		2003	\$1,229.40		
SUB-TOTAL =						\$7,029.79	

395 - Power Operated Equipment

1005	395	Plow for Pickup Truck	Borough of Kane Original Cost of Inventory/Assets	2014	\$4,065.00		
SUB-TOTAL =						\$4,065.00	

396 - Communication Equipment

1008	396	50 XM 1000 Converter	Borough of Kane Original Cost of Inventory/Assets	2016	\$1,955.01		
1009	396	Cellular Alarm Communicator	Borough of Kane Original Cost of Inventory/Assets	2016	\$2,642.00		
1010	396	Network Cables & Parts		2003	\$640.00		
1011	396	Network Cable Installation		2003	\$210.00		
1012	396	Pagers		1996	\$931.65		

**APPENDIX A - WASTEWATER SYSTEM
ORIGINAL COST OF INVENTORY/ASSETS**

ORGANIZED BY ACCOUNT NUMBER

ITEM #	ACCOUNT	PROPERTY DESCRIPTION	CONTRACT NUMBER	YEAR	UNIT COST	ACCOUNT COST	COMMENTS
1013	396	Communications System		2011	\$3,996.95		
SUB-TOTAL =						\$10,375.61	

397 - Miscellaneous Equipment

1014	397	Sink and Table	Borough of Kane Original Cost of Inventory/Assets	1998	\$1,305.00		
1015	397	Specialties (signs, fire extinguishers)	Contract 1-92 - Pine Street WWTP (General/Mechanical)	1995-96	\$1,599.00		
1016	397	3 Infrared Heaters & Installation		2004	\$4,051.60		
SUB-TOTAL =						\$6,955.60	
GRAND-TOTAL =						\$21,023,527.36	

⁽¹⁾ See Reference Tables for project cost break down and corresponding account numbers per pay item

EXCLUDED ASSETS:

1017	371	Galati On Lot 537		2001	\$ 52,571.06		Installation of 9 grinder pumps
1018	371	Grinder pumps (Trombold)	Contract 93-8 - Grinder Pumps	1996	\$ 124,216.00		Grinder Pumps
1019	371	Grinder Pumps - 5		2003	\$ 16,900.00		Grinder Pumps
1020	371	Grinder Pumps - 2		2003	\$ 6,960.00		Grinder Pumps
1021	395	Beckwith Loader (partial)		1997	\$ 15,000.00		Retained by Boro
1022	361	Service Laterals from curb to house		varies	\$		Retained by customers
TOTAL						\$ 215,647.06	

APPENDIX B

BOROUGH OF KANE AUTHORITY

McKean County, Pennsylvania

UTILITY USERS LIST



LOCATION MAP

REVISED: FEBRUARY 1999

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KLH ENGINEERS, P.C.
507 NORTH 10th AVENUE
PITTSBURGH, PA 15212

Contract 93-1 West Kane Area
Sanitary Sewers and Appurtenances

Contract 93-2 Route 66 Area
Sanitary Sewers and Appurtenances

Contract 93-3 Westwind Area
Sanitary Sewers and Appurtenances

Contract 93-4 East Kane Area
Sanitary Sewers and Appurtenances

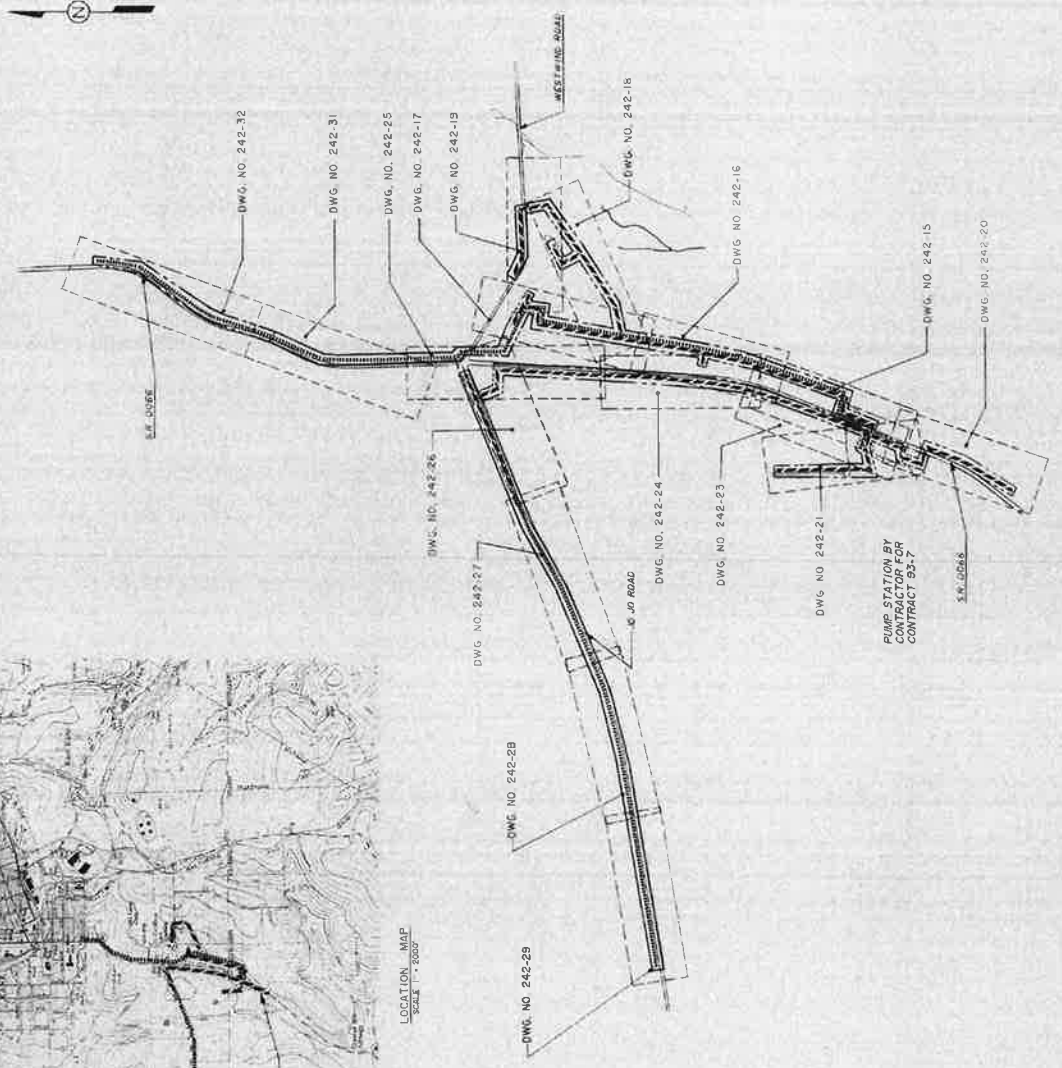
Contract 93-5 Greendale Area
Sanitary Sewers and Appurtenances

Contract 93-6 Northwest Area
Sanitary Sewers and Appurtenances

CONTRACT 93-2 ROUTE 66 AREA SANITARY SEWERS AND APPURTENANCES



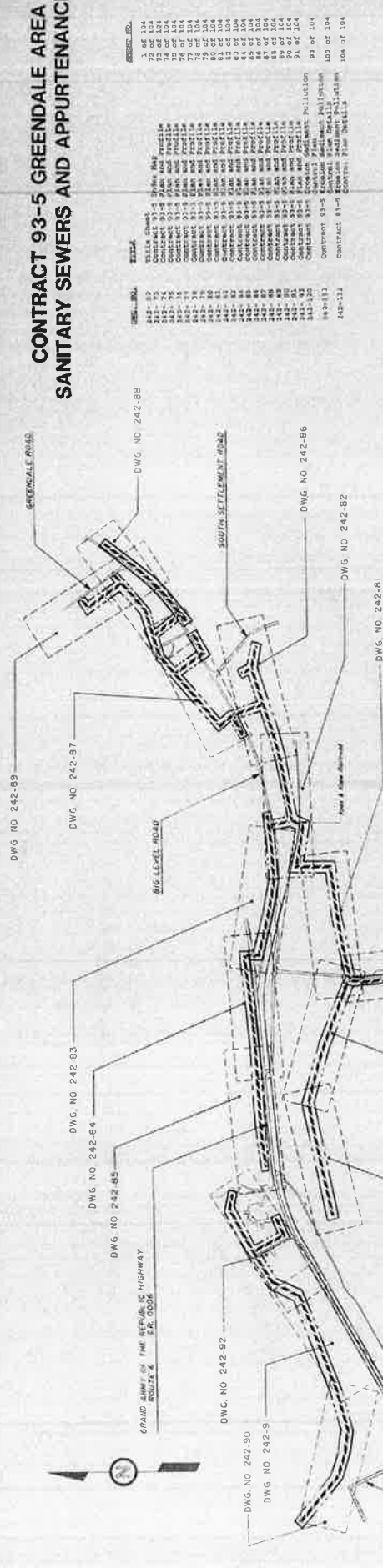
DWG. NO.	DESCRIPTION	SHEET NO.
242-03	1814 - 1814	1 of 104
242-04	CONTRACT 93-2 1814 - 1814	2 of 104
242-05	CONTRACT 93-2 1814 - 1814	3 of 104
242-06	CONTRACT 93-2 1814 - 1814	4 of 104
242-07	CONTRACT 93-2 1814 - 1814	5 of 104
242-08	CONTRACT 93-2 1814 - 1814	6 of 104
242-09	CONTRACT 93-2 1814 - 1814	7 of 104
242-10	CONTRACT 93-2 1814 - 1814	8 of 104
242-11	CONTRACT 93-2 1814 - 1814	9 of 104
242-12	CONTRACT 93-2 1814 - 1814	10 of 104
242-13	CONTRACT 93-2 1814 - 1814	11 of 104
242-14	CONTRACT 93-2 1814 - 1814	12 of 104
242-15	CONTRACT 93-2 1814 - 1814	13 of 104
242-16	CONTRACT 93-2 1814 - 1814	14 of 104
242-17	CONTRACT 93-2 1814 - 1814	15 of 104
242-18	CONTRACT 93-2 1814 - 1814	16 of 104
242-19	CONTRACT 93-2 1814 - 1814	17 of 104
242-20	CONTRACT 93-2 1814 - 1814	18 of 104
242-21	CONTRACT 93-2 1814 - 1814	19 of 104
242-22	CONTRACT 93-2 1814 - 1814	20 of 104
242-23	CONTRACT 93-2 1814 - 1814	21 of 104
242-24	CONTRACT 93-2 1814 - 1814	22 of 104
242-25	CONTRACT 93-2 1814 - 1814	23 of 104
242-26	CONTRACT 93-2 1814 - 1814	24 of 104
242-27	CONTRACT 93-2 1814 - 1814	25 of 104
242-28	CONTRACT 93-2 1814 - 1814	26 of 104
242-29	CONTRACT 93-2 1814 - 1814	27 of 104
242-30	CONTRACT 93-2 1814 - 1814	28 of 104
242-31	CONTRACT 93-2 1814 - 1814	29 of 104
242-32	CONTRACT 93-2 1814 - 1814	30 of 104
242-33	CONTRACT 93-2 1814 - 1814	31 of 104
242-34	CONTRACT 93-2 1814 - 1814	32 of 104
242-35	CONTRACT 93-2 1814 - 1814	33 of 104
242-36	CONTRACT 93-2 1814 - 1814	34 of 104
242-37	CONTRACT 93-2 1814 - 1814	35 of 104
242-38	CONTRACT 93-2 1814 - 1814	36 of 104
242-39	CONTRACT 93-2 1814 - 1814	37 of 104
242-40	CONTRACT 93-2 1814 - 1814	38 of 104
242-41	CONTRACT 93-2 1814 - 1814	39 of 104
242-42	CONTRACT 93-2 1814 - 1814	40 of 104
242-43	CONTRACT 93-2 1814 - 1814	41 of 104
242-44	CONTRACT 93-2 1814 - 1814	42 of 104
242-45	CONTRACT 93-2 1814 - 1814	43 of 104
242-46	CONTRACT 93-2 1814 - 1814	44 of 104
242-47	CONTRACT 93-2 1814 - 1814	45 of 104
242-48	CONTRACT 93-2 1814 - 1814	46 of 104
242-49	CONTRACT 93-2 1814 - 1814	47 of 104
242-50	CONTRACT 93-2 1814 - 1814	48 of 104
242-51	CONTRACT 93-2 1814 - 1814	49 of 104
242-52	CONTRACT 93-2 1814 - 1814	50 of 104
242-53	CONTRACT 93-2 1814 - 1814	51 of 104
242-54	CONTRACT 93-2 1814 - 1814	52 of 104
242-55	CONTRACT 93-2 1814 - 1814	53 of 104
242-56	CONTRACT 93-2 1814 - 1814	54 of 104
242-57	CONTRACT 93-2 1814 - 1814	55 of 104
242-58	CONTRACT 93-2 1814 - 1814	56 of 104
242-59	CONTRACT 93-2 1814 - 1814	57 of 104
242-60	CONTRACT 93-2 1814 - 1814	58 of 104
242-61	CONTRACT 93-2 1814 - 1814	59 of 104
242-62	CONTRACT 93-2 1814 - 1814	60 of 104
242-63	CONTRACT 93-2 1814 - 1814	61 of 104
242-64	CONTRACT 93-2 1814 - 1814	62 of 104
242-65	CONTRACT 93-2 1814 - 1814	63 of 104
242-66	CONTRACT 93-2 1814 - 1814	64 of 104
242-67	CONTRACT 93-2 1814 - 1814	65 of 104
242-68	CONTRACT 93-2 1814 - 1814	66 of 104
242-69	CONTRACT 93-2 1814 - 1814	67 of 104
242-70	CONTRACT 93-2 1814 - 1814	68 of 104
242-71	CONTRACT 93-2 1814 - 1814	69 of 104
242-72	CONTRACT 93-2 1814 - 1814	70 of 104
242-73	CONTRACT 93-2 1814 - 1814	71 of 104
242-74	CONTRACT 93-2 1814 - 1814	72 of 104
242-75	CONTRACT 93-2 1814 - 1814	73 of 104
242-76	CONTRACT 93-2 1814 - 1814	74 of 104
242-77	CONTRACT 93-2 1814 - 1814	75 of 104
242-78	CONTRACT 93-2 1814 - 1814	76 of 104
242-79	CONTRACT 93-2 1814 - 1814	77 of 104
242-80	CONTRACT 93-2 1814 - 1814	78 of 104
242-81	CONTRACT 93-2 1814 - 1814	79 of 104
242-82	CONTRACT 93-2 1814 - 1814	80 of 104
242-83	CONTRACT 93-2 1814 - 1814	81 of 104
242-84	CONTRACT 93-2 1814 - 1814	82 of 104
242-85	CONTRACT 93-2 1814 - 1814	83 of 104
242-86	CONTRACT 93-2 1814 - 1814	84 of 104
242-87	CONTRACT 93-2 1814 - 1814	85 of 104
242-88	CONTRACT 93-2 1814 - 1814	86 of 104
242-89	CONTRACT 93-2 1814 - 1814	87 of 104
242-90	CONTRACT 93-2 1814 - 1814	88 of 104
242-91	CONTRACT 93-2 1814 - 1814	89 of 104
242-92	CONTRACT 93-2 1814 - 1814	90 of 104
242-93	CONTRACT 93-2 1814 - 1814	91 of 104
242-94	CONTRACT 93-2 1814 - 1814	92 of 104
242-95	CONTRACT 93-2 1814 - 1814	93 of 104
242-96	CONTRACT 93-2 1814 - 1814	94 of 104
242-97	CONTRACT 93-2 1814 - 1814	95 of 104
242-98	CONTRACT 93-2 1814 - 1814	96 of 104
242-99	CONTRACT 93-2 1814 - 1814	97 of 104
242-100	CONTRACT 93-2 1814 - 1814	98 of 104
242-101	CONTRACT 93-2 1814 - 1814	99 of 104
242-102	CONTRACT 93-2 1814 - 1814	100 of 104



LEGEND

1	EXISTING SANITARY SEWER
2	PROPOSED SANITARY SEWER
3	EXISTING MANHOLE
4	PROPOSED MANHOLE
5	EXISTING PUMP STATION
6	PROPOSED PUMP STATION
7	EXISTING EASEMENT
8	PROPOSED EASEMENT
9	EXISTING PUBLIC RIGHT OF WAY
10	PROPOSED PUBLIC RIGHT OF WAY
11	EXISTING ROAD
12	PROPOSED ROAD
13	EXISTING UTILITY
14	PROPOSED UTILITY
15	EXISTING PROPERTY LINE
16	PROPOSED PROPERTY LINE
17	EXISTING FENCE
18	PROPOSED FENCE
19	EXISTING CURB
20	PROPOSED CURB
21	EXISTING SIDEWALK
22	PROPOSED SIDEWALK
23	EXISTING DRIVE
24	PROPOSED DRIVE
25	EXISTING ALLEY
26	PROPOSED ALLEY
27	EXISTING LOT
28	PROPOSED LOT
29	EXISTING ADJACENT PROPERTY
30	PROPOSED ADJACENT PROPERTY
31	EXISTING ADJACENT ROAD
32	PROPOSED ADJACENT ROAD
33	EXISTING ADJACENT UTILITY
34	PROPOSED ADJACENT UTILITY
35	EXISTING ADJACENT EASEMENT
36	PROPOSED ADJACENT EASEMENT
37	EXISTING ADJACENT PUBLIC RIGHT OF WAY
38	PROPOSED ADJACENT PUBLIC RIGHT OF WAY
39	EXISTING ADJACENT ROAD
40	PROPOSED ADJACENT ROAD
41	EXISTING ADJACENT UTILITY
42	PROPOSED ADJACENT UTILITY
43	EXISTING ADJACENT PROPERTY LINE
44	PROPOSED ADJACENT PROPERTY LINE
45	EXISTING ADJACENT FENCE
46	PROPOSED ADJACENT FENCE
47	EXISTING ADJACENT CURB
48	PROPOSED ADJACENT CURB
49	EXISTING ADJACENT SIDEWALK
50	PROPOSED ADJACENT SIDEWALK
51	EXISTING ADJACENT DRIVE
52	PROPOSED ADJACENT DRIVE
53	EXISTING ADJACENT ALLEY
54	PROPOSED ADJACENT ALLEY
55	EXISTING ADJACENT LOT
56	PROPOSED ADJACENT LOT
57	EXISTING ADJACENT ADJACENT PROPERTY
58	PROPOSED ADJACENT ADJACENT PROPERTY
59	EXISTING ADJACENT ADJACENT ROAD
60	PROPOSED ADJACENT ADJACENT ROAD
61	EXISTING ADJACENT ADJACENT UTILITY
62	PROPOSED ADJACENT ADJACENT UTILITY
63	EXISTING ADJACENT ADJACENT EASEMENT
64	PROPOSED ADJACENT ADJACENT EASEMENT
65	EXISTING ADJACENT ADJACENT PUBLIC RIGHT OF WAY
66	PROPOSED ADJACENT ADJACENT PUBLIC RIGHT OF WAY
67	EXISTING ADJACENT ADJACENT ROAD
68	PROPOSED ADJACENT ADJACENT ROAD
69	EXISTING ADJACENT ADJACENT UTILITY
70	PROPOSED ADJACENT ADJACENT UTILITY
71	EXISTING ADJACENT ADJACENT PROPERTY LINE
72	PROPOSED ADJACENT ADJACENT PROPERTY LINE
73	EXISTING ADJACENT ADJACENT FENCE
74	PROPOSED ADJACENT ADJACENT FENCE
75	EXISTING ADJACENT ADJACENT CURB
76	PROPOSED ADJACENT ADJACENT CURB
77	EXISTING ADJACENT ADJACENT SIDEWALK
78	PROPOSED ADJACENT ADJACENT SIDEWALK
79	EXISTING ADJACENT ADJACENT DRIVE
80	PROPOSED ADJACENT ADJACENT DRIVE
81	EXISTING ADJACENT ADJACENT ALLEY
82	PROPOSED ADJACENT ADJACENT ALLEY
83	EXISTING ADJACENT ADJACENT LOT
84	PROPOSED ADJACENT ADJACENT LOT
85	EXISTING ADJACENT ADJACENT ADJACENT PROPERTY
86	PROPOSED ADJACENT ADJACENT ADJACENT PROPERTY
87	EXISTING ADJACENT ADJACENT ADJACENT ROAD
88	PROPOSED ADJACENT ADJACENT ADJACENT ROAD
89	EXISTING ADJACENT ADJACENT ADJACENT UTILITY
90	PROPOSED ADJACENT ADJACENT ADJACENT UTILITY
91	EXISTING ADJACENT ADJACENT ADJACENT EASEMENT
92	PROPOSED ADJACENT ADJACENT ADJACENT EASEMENT
93	EXISTING ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
94	PROPOSED ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
95	EXISTING ADJACENT ADJACENT ADJACENT ROAD
96	PROPOSED ADJACENT ADJACENT ADJACENT ROAD
97	EXISTING ADJACENT ADJACENT ADJACENT UTILITY
98	PROPOSED ADJACENT ADJACENT ADJACENT UTILITY
99	EXISTING ADJACENT ADJACENT ADJACENT PROPERTY LINE
100	PROPOSED ADJACENT ADJACENT ADJACENT PROPERTY LINE
101	EXISTING ADJACENT ADJACENT ADJACENT FENCE
102	PROPOSED ADJACENT ADJACENT ADJACENT FENCE
103	EXISTING ADJACENT ADJACENT ADJACENT CURB
104	PROPOSED ADJACENT ADJACENT ADJACENT CURB
105	EXISTING ADJACENT ADJACENT ADJACENT SIDEWALK
106	PROPOSED ADJACENT ADJACENT ADJACENT SIDEWALK
107	EXISTING ADJACENT ADJACENT ADJACENT DRIVE
108	PROPOSED ADJACENT ADJACENT ADJACENT DRIVE
109	EXISTING ADJACENT ADJACENT ADJACENT ALLEY
110	PROPOSED ADJACENT ADJACENT ADJACENT ALLEY
111	EXISTING ADJACENT ADJACENT ADJACENT LOT
112	PROPOSED ADJACENT ADJACENT ADJACENT LOT
113	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
114	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
115	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ROAD
116	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ROAD
117	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
118	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
119	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
120	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
121	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
122	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
123	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ROAD
124	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ROAD
125	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
126	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
127	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
128	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
129	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT FENCE
130	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT FENCE
131	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT CURB
132	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT CURB
133	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
134	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
135	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
136	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
137	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
138	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
139	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT LOT
140	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT LOT
141	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
142	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
143	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
144	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
145	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
146	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
147	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
148	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
149	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
150	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
151	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
152	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
153	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
154	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
155	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
156	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
157	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT FENCE
158	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT FENCE
159	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT CURB
160	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT CURB
161	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
162	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
163	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
164	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
165	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
166	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
167	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT LOT
168	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT LOT
169	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
170	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
171	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
172	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
173	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
174	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
175	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
176	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT EASEMENT
177	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
178	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PUBLIC RIGHT OF WAY
179	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
180	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD
181	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
182	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT UTILITY
183	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
184	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY LINE
185	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT FENCE
186	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT FENCE
187	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT CURB
188	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT CURB
189	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
190	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT SIDEWALK
191	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
192	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT DRIVE
193	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
194	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ALLEY
195	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT LOT
196	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT LOT
197	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
198	PROPOSED ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT PROPERTY
199	EXISTING ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ADJACENT ROAD

CONTRACT 93-5 GREENDALE AREA SANITARY SEWERS AND APPURTENANCES



REVISIONS

1	05 OF 104
2	06 OF 104
3	07 OF 104
4	08 OF 104
5	09 OF 104
6	10 OF 104
7	11 OF 104
8	12 OF 104
9	13 OF 104
10	14 OF 104
11	15 OF 104
12	16 OF 104
13	17 OF 104
14	18 OF 104
15	19 OF 104
16	20 OF 104
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99	103 OF 104
100	104 OF 104



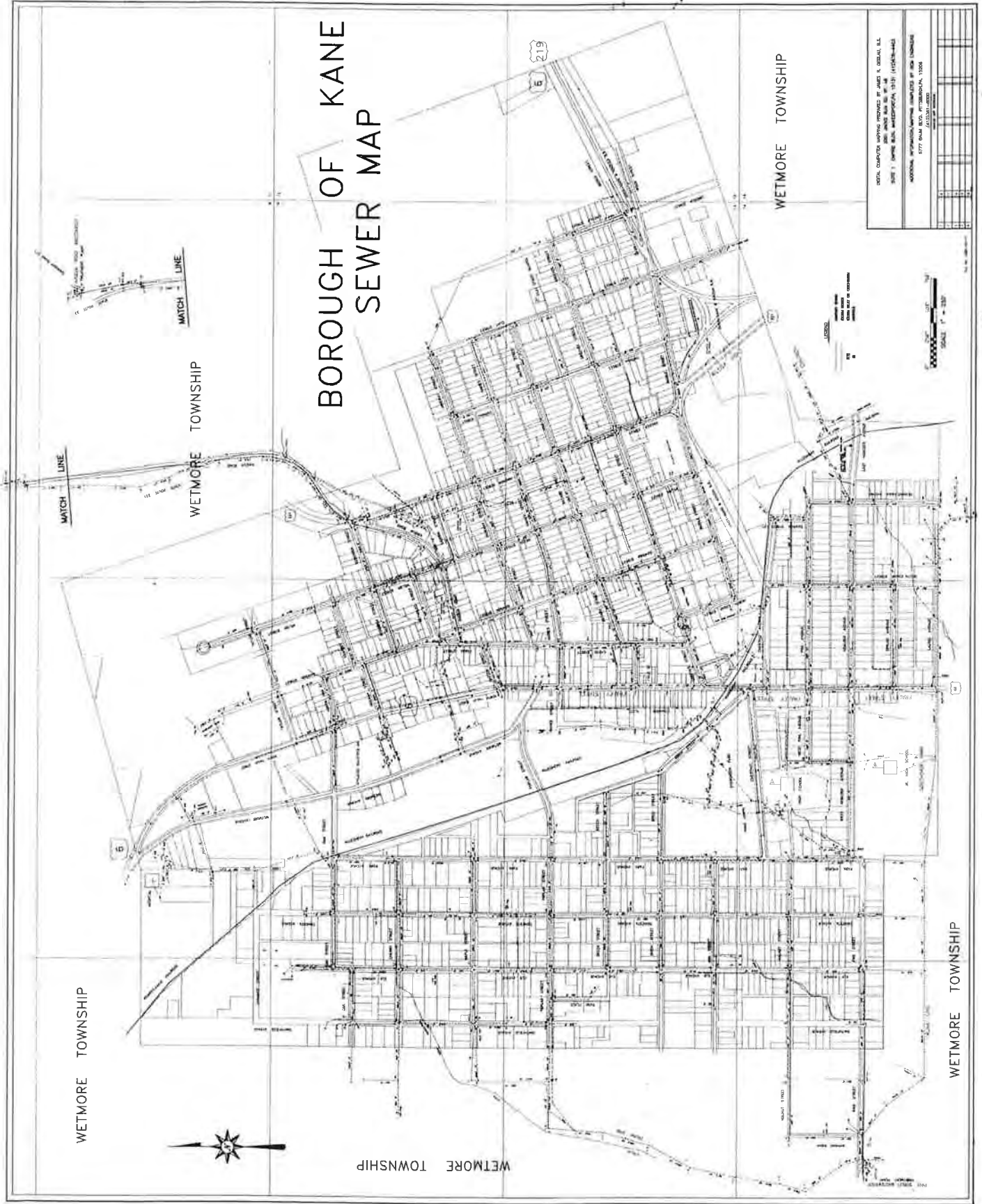
LEGEND

1	18" DIA. R.C. PIPE
2	24" DIA. R.C. PIPE
3	36" DIA. R.C. PIPE
4	48" DIA. R.C. PIPE
5	60" DIA. R.C. PIPE
6	72" DIA. R.C. PIPE
7	84" DIA. R.C. PIPE
8	96" DIA. R.C. PIPE
9	108" DIA. R.C. PIPE
10	120" DIA. R.C. PIPE
11	144" DIA. R.C. PIPE
12	180" DIA. R.C. PIPE
13	216" DIA. R.C. PIPE
14	240" DIA. R.C. PIPE
15	300" DIA. R.C. PIPE
16	360" DIA. R.C. PIPE
17	420" DIA. R.C. PIPE
18	480" DIA. R.C. PIPE
19	540" DIA. R.C. PIPE
20	600" DIA. R.C. PIPE
21	660" DIA. R.C. PIPE
22	720" DIA. R.C. PIPE
23	780" DIA. R.C. PIPE
24	840" DIA. R.C. PIPE
25	900" DIA. R.C. PIPE
26	960" DIA. R.C. PIPE
27	1020" DIA. R.C. PIPE
28	1080" DIA. R.C. PIPE
29	1140" DIA. R.C. PIPE
30	1200" DIA. R.C. PIPE
31	1260" DIA. R.C. PIPE
32	1320" DIA. R.C. PIPE
33	1380" DIA. R.C. PIPE
34	1440" DIA. R.C. PIPE
35	1500" DIA. R.C. PIPE
36	1560" DIA. R.C. PIPE
37	1620" DIA. R.C. PIPE
38	1680" DIA. R.C. PIPE
39	1740" DIA. R.C. PIPE
40	1800" DIA. R.C. PIPE
41	1860" DIA. R.C. PIPE
42	1920" DIA. R.C. PIPE
43	1980" DIA. R.C. PIPE
44	2040" DIA. R.C. PIPE
45	2100" DIA. R.C. PIPE
46	2160" DIA. R.C. PIPE
47	2220" DIA. R.C. PIPE
48	2280" DIA. R.C. PIPE
49	2340" DIA. R.C. PIPE
50	2400" DIA. R.C. PIPE
51	2460" DIA. R.C. PIPE
52	2520" DIA. R.C. PIPE
53	2580" DIA. R.C. PIPE
54	2640" DIA. R.C. PIPE
55	2700" DIA. R.C. PIPE
56	2760" DIA. R.C. PIPE
57	2820" DIA. R.C. PIPE
58	2880" DIA. R.C. PIPE
59	2940" DIA. R.C. PIPE
60	3000" DIA. R.C. PIPE
61	3060" DIA. R.C. PIPE
62	3120" DIA. R.C. PIPE
63	3180" DIA. R.C. PIPE
64	3240" DIA. R.C. PIPE
65	3300" DIA. R.C. PIPE
66	3360" DIA. R.C. PIPE
67	3420" DIA. R.C. PIPE
68	3480" DIA. R.C. PIPE
69	3540" DIA. R.C. PIPE
70	3600" DIA. R.C. PIPE
71	3660" DIA. R.C. PIPE
72	3720" DIA. R.C. PIPE
73	3780" DIA. R.C. PIPE
74	3840" DIA. R.C. PIPE
75	3900" DIA. R.C. PIPE
76	3960" DIA. R.C. PIPE
77	4020" DIA. R.C. PIPE
78	4080" DIA. R.C. PIPE
79	4140" DIA. R.C. PIPE
80	4200" DIA. R.C. PIPE
81	4260" DIA. R.C. PIPE
82	4320" DIA. R.C. PIPE
83	4380" DIA. R.C. PIPE
84	4440" DIA. R.C. PIPE
85	4500" DIA. R.C. PIPE
86	4560" DIA. R.C. PIPE
87	4620" DIA. R.C. PIPE
88	4680" DIA. R.C. PIPE
89	4740" DIA. R.C. PIPE
90	4800" DIA. R.C. PIPE
91	4860" DIA. R.C. PIPE
92	4920" DIA. R.C. PIPE
93	4980" DIA. R.C. PIPE
94	5040" DIA. R.C. PIPE
95	5100" DIA. R.C. PIPE
96	5160" DIA. R.C. PIPE
97	5220" DIA. R.C. PIPE
98	5280" DIA. R.C. PIPE
99	5340" DIA. R.C. PIPE
100	5400" DIA. R.C. PIPE

THE BOROUGH OF KANE AUTHORITY
 WATER, SEWER, GAS, AND LIGHT DEPARTMENT
 SANITARY SEWERS AND APPURTENANCES
 INDEX MAP

APPENDIX C

BOROUGH OF KANE SEWER MAP

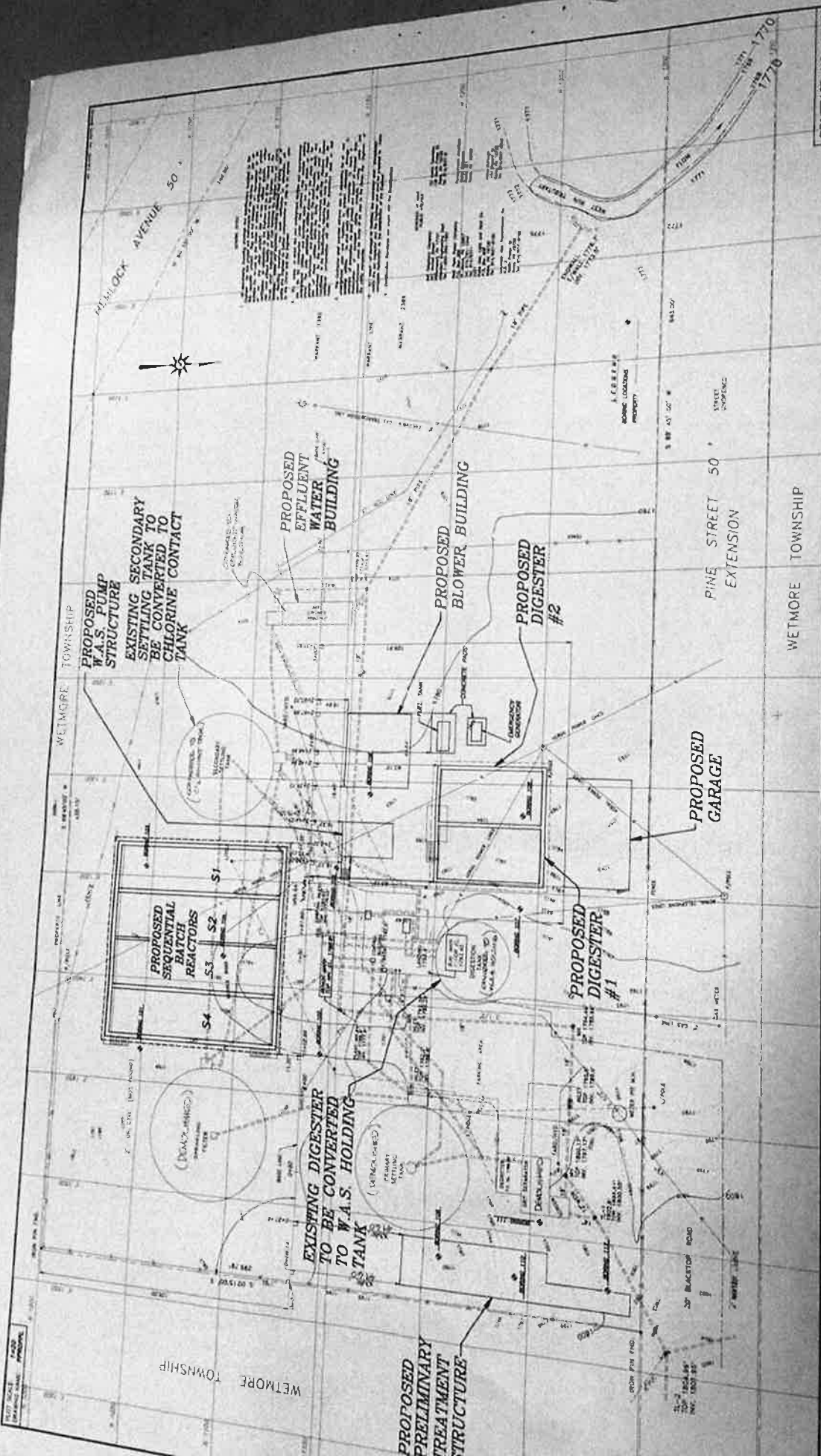


DESIGN: COMPUTER MAPPING PROVIDED BY JAMES A. GOSWAMI, S.E.
 DATE: 11/15/2011
 PROJECT: BOROUGH OF KANE SEWER MAP (11/15/2011)

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMITTING	11/15/2011
2	ISSUED FOR CONSTRUCTION	11/15/2011
3	ISSUED FOR AS-BUILT	11/15/2011

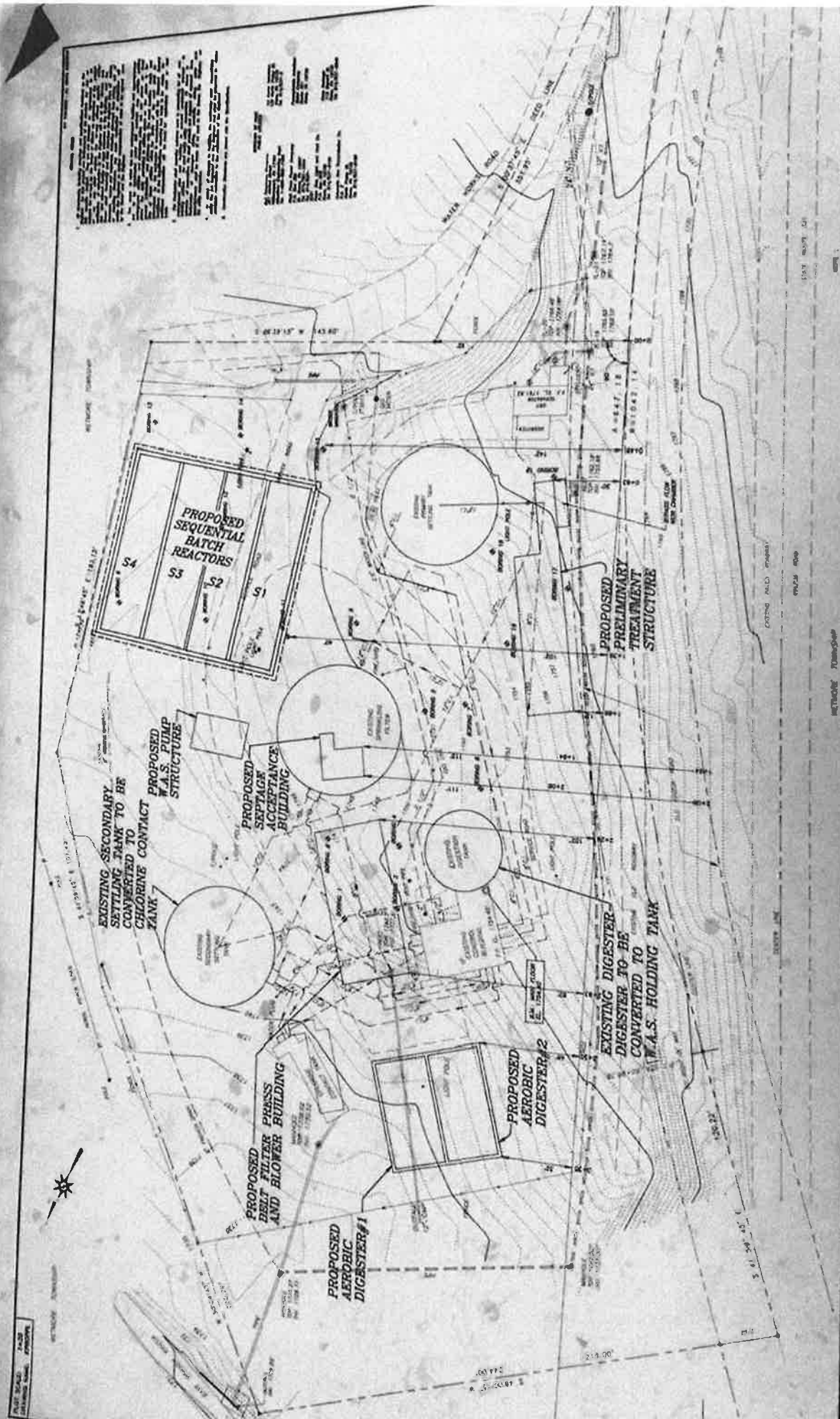
KANE COUNTY ENGINEERING DEPARTMENT
 5777 MAIN STREET, SCRANTON, PA 18506

APPENDIX D



BCM Engineers Inc. One Plymouth Meeting, Plymouth Meeting, PA 19042 5777 Route 100, Philadelphia, PA 19106		APPROVED: <i>John L. Schaefer</i> PROJECT NO: 19-001-05 SHEET NO: 1-92
BOROUGH OF KANE AUTHORITY RECORD DRAWING PINE STREET WASTEWATER TREATMENT PLANT EXISTING PIPING, PROPERTY AND BORING PLAN		CONTRACT NO. 1-92 DATE: 12/1/19 SCALE: AS SHOWN
DESIGNER: <i>John L. Schaefer</i> CHECKER: <i>John L. Schaefer</i> DATE: 12/1/19	PROJECT NO: 19-001-05 SHEET NO: 1-92	DATE: 12/1/19 SCALE: AS SHOWN

APPENDIX E



		CONTRACT NO. 1547-0001-01
BOROUGH OF KANE AUTHORITY RECORD DRAWING PENNSYLVANIA MONROE COUNTY MONROE ROAD WASTEWATER TREATMENT PLANT EXISTING PIPING, PROPERTY AND BORING PLAN		SCALE 1" = 40'
PROJECT NO. 1547-0001-01		DATE 12/15/15
PROJECT NAME MONROE ROAD WASTEWATER TREATMENT PLANT		SHEET NO. 1547-0001-01
PROJECT LOCATION MONROE ROAD, MONROE, PA		DRAWN BY J. L. ...
PROJECT OWNER BOROUGH OF KANE AUTHORITY		CHECKED BY ...
PROJECT ENGINEER BCM ENGINEERS INC.		DATE 12/15/15

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Kinzua WWTP – PTS Building



Kinzua WWTP – PTS Building



SBR Treatment – Office/Central Building



Kinzua WWTP – PTS Building

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Kinzua WWTP – PTS Building



Kinzua WWTP SBR – Treatment



Kinzua-WWTP - Back-up Power



Kinzua WWTP - Blower Building

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Kinzua WWTP - Roll Off



Kinzua WWTP - Pump Control Room



Kinzua WWTP - Sludge Press



Kinzua WWTP - Chlorine Contact Tank

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Kinzua WWTP - Chemical Building



Kinzua WWTP - Effluent Building



Kinzua WWTP - Effluent Pumps



Kinzua WWTP - Digesters

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Kinzua WWTP – Laboratory Room

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Pine Street WWTP



Pine St. WWTP – PTS Building



Pine St. WWTP – SBR Tanks

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Pine St. WWTP – Office/Central Building



Pine St. WWTP – Laboratory Room



Pine St. WWTP – Digesters



Pine St. WWTP – Blower Building

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Pine St. WWTP – Storage/Garage Building



Rt. 6 Pump Station Flows to Pine St. WWTP



(Northwest) Zooks Pump Station Flows to Pine St. WWTP



West Kane Pump Station Flows to Pine St. WWTP

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Joe Joe Pump Station Flows to Pine St. WWTP



Rt. 66 Pump Station Flows to Pine St. WWTP



West Wind Pump Station Flows to Pine St. WWTP



Pond St. Pump Station Flows to Kinzua WWTP

Kane Waste Water Treatment Plant
Site Visit 10-16-19
1.5 mgd



Wilson Run Pump Station Flows to Kinzua WWTP



Wilson Run Pump Station Flows to Kinzua WWTP

ASSET PURCHASE AGREEMENT
BETWEEN
BOROUGH OF KANE AUTHORITY, TOGETHER WITH
BOROUGH OF KANE AND WETMORE TOWNSHIP
AND
PENNSYLVANIA-AMERICAN WATER COMPANY

November 4, 2019

TABLE OF CONTENTS

ARTICLE 1. THE TRANSACTION	1
Section 1.1 Sale and Purchase of Assets	1
Section 1.2 Retained Liabilities	2
Section 1.3 Excluded Assets	3
Section 1.4 Accounts Receivable	3
ARTICLE 2. PURCHASE PRICE	3
Section 2.1 Purchase Price for the Assets	3
Section 2.2 Use of Fair Market Valuation Process	3
Section 2.3 Purchase Price Adjustments	4
Section 2.4 Escrow	4
ARTICLE 3. THE CLOSING	4
Section 3.1 Closing	4
Section 3.2 Deliveries and Proceedings at Closing	4
ARTICLE 4. REPRESENTATIONS AND WARRANTIES OF SELLER	6
Section 4.1 Seller's Representations	6
Section 4.1(a) Organization: Legal Authority	6
Section 4.1(b) Assets Ownership	6
Section 4.1(c) Financial Statements	6
Section 4.1(d) Due Authorization: Valid and Binding; No Encumbrances	6
Section 4.1(e) Current Operations	6
Section 4.1(f) No Approvals or Violations	7
Section 4.1(g) Accounts Receivable	7
Section 4.1(h) Free Service; Customer List; Prepayments	7
Section 4.1(i) Undisclosed Liabilities	7
Section 4.1(j) Condition of Assets	7
Section 4.1(k) Contracts	7
Section 4.1(l) Adequacy of Property Rights; Real Property and Easements	8
Section 4.1(m) Litigation	9
Section 4.1(n) Tax Matters	10
Section 4.1(o) No Material Adverse Conditions; Insurance	10
Section 4.1(p) Compliance with Law	10
Section 4.1(q) Adequacy of Governmental Approvals	11
Section 4.1(r) Environmental Matters	11
Section 4.1(s) Compliance with Decrees	12
Section 4.1(t) Customer Advances	13
ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF PAWC	13
Section 5.1 PAWC's Representations	13
Section 5.1(a) Organization	13
Section 5.1(b) Due Authorization; Valid and Binding	13

Section 5.1(c) Assigned Contracts	13
Section 5.1(d) Financial Wherewithal.....	13
Section 5.1(e) Absence of Litigation.....	13
Section 5.1(f) Brokers	14
ARTICLE 6. COVENANTS	14
Section 6.1 Covenants of Seller	14
Section 6.1(a) Conduct of Business	14
Section 6.1(b) Contracts and Commitments	14
Section 6.1(c) Release of Encumbrances	14
Section 6.1(d) Material Events and Circumstance	15
Section 6.1(e) Supplemental Information	15
Section 6.1(f) Regulatory Consents	15
Section 6.1(g) Municipal Ordinances and Agreements.....	15
Section 6.1(h) Access	15
Section 6.1(i) Customer List	16
Section 6.1(j) Customer Advances.....	16
Section 6.1(k) Updating of Information	16
Section 6.1(l) Retention of Records	16
Section 6.1(m) Missing Easements	16
Section 6.2 Title Information	17
Section 6.3 Stormwater Facilities.....	17
Section 6.4 Dual Meter Readings.....	17
Section 6.5 Further Assurances	17
Section 6.6 Cooperation	18
Section 6.7 Rules and Regulations of Service At and After Closing.....	18
Section 6.8 Borough Employees	18
ARTICLE 7. PENNSYLVANIA PUBLIC UTILITY COMMISSION APPROVAL	18
Section 7.1 Pennsylvania PUC Approval.....	18
ARTICLE 8. CONDITIONS PRECEDENT	19
Section 8.1 Conditions Precedent to PAWC's Obligations	19
Section 8.1(a) Representations and Warranties.....	19
Section 8.1(b) Performance of Covenants and Agreements.....	19
Section 8.1(c) Adverse Change	19
Section 8.1(d) Release of Liens.....	19
Section 8.1(e) Other Regulatory Consents	19
Section 8.1(f) Combined Sewer Overflow Approvals	20
Section 8.1(g) Opinion of Counsel and Resolution.....	20
Section 8.1(h) Contractual Consent	20
Section 8.1(i) Certification of Financial Information.....	20
Section 8.1(j) Closing Deliveries	20
Section 8.1(k) Act 537 Plans	20
Section 8.1(l) Proceedings.....	20

Section 8.1(m) Due Diligence	21
Section 8.1(n) Authorization of Contemplated Transactions.....	21
Section 8.1(o) PUC Approval	21
Section 8.1(p) Missing Easements	21
Section 8.2 Conditions Precedent to Seller’s Obligations.....	21
Section 8.2(a) Representations and Warranties.....	21
Section 8.2(b) Performance of Agreements	21
Section 8.2(c) Closing Deliveries.....	21
ARTICLE 9. INDEMNIFICATION	21
Section 9.1 Indemnification By Seller	21
Section 9.2 Indemnification By PAWC	22
Section 9.3 Survival of Representations and Warranties	22
Section 9.4 Notice of Claim	22
ARTICLE 10. TERMINATION.....	23
Section 10.1 Termination	23
Section 10.2 Effect of Termination	23
ARTICLE 11. MISCELLANEOUS	23
Section 11.1 Joinder by Wetmore and Kane	23
Section 11.2 Contents of Agreement.....	24
Section 11.3 Binding Effect	24
Section 11.4 Waiver	24
Section 11.5 Transfer Taxes.....	24
Section 11.6 Notices.....	24
Section 11.7 Law to Govern.....	25
Section 11.8 No Benefit to Others	25
Section 11.9 Interpretation	26
Section 11.10 Schedules.....	26
Section 11.11 Severability.....	26
Section 11.12 Counterparts.....	26
Section 11.13 Risk of Loss.....	26
Section 11.14 Environmental Assessment.....	26
Section 11.15 Specific Performance and Injunctive Relief; Remedies.....	26
Section 11.16 Termination of Seller’s Existence Following Closing.....	27

EXHIBITS

SCHEDULES

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (“**Agreement**”), dated as of the 4th day of November, 2019 (the “**Effective Date**”) by and between the Borough of Kane Authority, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of 112 Bayard Street, Kane, Pennsylvania 16735 (“**Seller**”); together with for the specific purposes set forth herein, Wetmore Township, McKean County, a township organized and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of 318 Spring Street, Kane, Pennsylvania 16735 (“**Wetmore**” or “**Township**”) and the Borough of Kane, Pennsylvania, a municipality organized and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of 112 Bayard Street, Kane, Pennsylvania 16735 (“**Kane**” or “**Borough**”); and Pennsylvania-American Water Company, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with a business address of 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055 (“**PAWC**”).

RECITALS

A. Seller owns, maintains and operates a wastewater system in McKean County, Pennsylvania, identified with the Pennsylvania Department of Environmental Protection National Pollutant Discharge Elimination System (NPDES) identification numbers PA0023175 and PA0023167 (the “**System**”);

B. PAWC is a regulated public utility that furnishes water and wastewater services to the public in various counties throughout Pennsylvania, as reflected in PAWC’s duly-filed and effective tariff, as may be amended from time to time upon application by PAWC or as ordered by the Pennsylvania Public Utility Commission (“**Tariff**”);

C. Seller desires to sell, and PAWC desires to purchase the System, as well as substantially all assets, properties and rights of Seller owned and used in connection with the System, upon the terms and conditions set forth herein; and

D. Wetmore and Kane each desire Seller to sell, and PAWC to purchase the System, as well as substantially all assets, properties and rights of Seller owned and used in connection with the System, upon the terms and conditions set forth herein, and join this Agreement to the extent necessary to accomplish the transaction and to implement the intent and purposes of the parties set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE 1 THE TRANSACTION

1.1 Sale and Purchase of Assets. Subject to the terms, representations and conditions set forth in this Agreement, PAWC shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to PAWC at Closing (hereinafter defined), the Assets. The term “**Assets**” means all of the assets, properties and rights of Seller (whether tangible, intangible, real, personal or mixed) that are held or used in connection with the System. The Assets shall be sold free and clear of all mortgages, liens, pledges, security

interests, charges, claims, restrictions and encumbrances of any and all nature (collectively, the “**Encumbrances**”).

(a) Assets Further Defined. The Assets shall, without limitation to the definition stated above, include the following:

- (i) the Assigned Contracts (as defined in **Section 5.1(c)**);
- (ii) all interests in real estate (excepting streets), mains, pipes, pipelines, manholes, facilities, meters, tanks, storage facilities, valves, wastewater system network (including all portions of the combined sewer system) and related appurtenances, structures, improvements, fixtures, rights-of-way, rights, uses, franchises, licenses and easements owned by Seller and relating to the System, or in which Seller has an interest, and all hereditaments, tenements and appurtenances belonging, appertaining or relating thereto;
- (iii) all machinery, equipment, tools, keys and locks, leasehold improvements, goods, and other tangible personal property relating to the System owned by Seller, or in which Seller has an interest;
- (iv) all rights of Seller under any written or oral contract, easement, license, agreement, lease, plan, instrument, registration, permit, certificate, or other authorization or approval of any nature, or other document, commitment, arrangement, undertaking, practice or authorization, relating to the System;
- (v) all rights and choses in action of Seller arising out of occurrences before or after the Closing relating to the Assets, including any rights of Seller under any warranties or insurance claims related to the Assets; and
- (vi) all information, files, records, data, geographic information system data, plans, contracts and recorded knowledge relating to the Assets, including customer and supplier lists and property records, related to the foregoing.

1.2 Retained Liabilities.

(a) Except as explicitly provided in **Section 1.2(b)** below, PAWC shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever (including any obligations related to the Assets or operation of the System), whether express or implied, fixed or contingent, known or unknown at the time of Closing. Except as explicitly provided in **Section 1.2(b)** below, all of Seller’s liabilities and obligations, whether incurred in connection with the operation of the System, ownership of the Assets or otherwise, shall remain the sole responsibility of, and shall be retained, paid, performed and discharged solely by Seller. Without limiting the foregoing, Seller shall be and shall remain liable for all obligations and liabilities relating to (i) employees of Seller or Kane (including those who worked on the System) and any employee benefits related thereto (including any pension benefits), (ii) all taxes on the business of Seller, (iii) accounts payable of the Seller, and (iv) failure to comply with any Environmental Laws or any Governmental Approvals for the Assets or operation of the System on or before the Closing Date.

(b) Following the Closing, PAWC shall assume only those contractual liabilities arising after the Closing Date under the Assigned Contracts (specifically excluding any liability under the Assigned Contracts arising out of or relating to a breach or other circumstances that occurred on or prior to the Closing Date).

1.3 Excluded Assets. Notwithstanding anything to the contrary contained in this Agreement, the Assets shall not include any of the following:

(a) Any and all connecting facilities (customer's sewer laterals) from the Seller's wastewater lines, mains or collection facilities at the curb-line or edge-of-road that are within the customer's property (the "**Customer Sewer Laterals**");

(b) Any and all piping and fixtures internal to each individual customer's structure (whether residential, commercial, industrial or other types);

(c) Any and all grinder pumps, piping and fixtures located at the curb-line or edge-of-the road that are within the customer's property;

(d) Any and all stormwater system facilities including, but not limited to: (a) facilities located on, in, within, or under the real property, including easements, that is a part of the Assets, (b) facilities that are connected to the System and located within the public right-of-way and (c) facilities or assets used in the operation of a municipal separate stormwater system;

(e) Seller's cash on hand on the date of Closing and Seller's accounts receivable related to the System for services rendered through the close of business on the Closing Date;

(f) All rights of Seller under this Agreement and related Bill of Sale and Assignment of Contracts Agreement as it pertains to the transfer and sale herein contemplated; and

(g) The specific assets, properties and rights of Seller set forth on **Schedule 1.3**.

1.4 Accounts Receivable. Accounts receivable for wastewater services related to the System rendered through the close of business on the Closing Date shall be excluded assets as per **Section 1.3**, and accounts receivable for wastewater services related to the System rendered thereafter shall belong to PAWC.

ARTICLE 2

PURCHASE PRICE

2.1 Purchase Price for the Assets. Subject to the terms and conditions of this Agreement, the negotiated purchase price shall be Seventeen Million, Five Hundred Sixty Thousand Dollars (\$17,560,000.00) (the "**Purchase Price**"). The Purchase Price shall be payable directly to Seller on the Closing Date by wire transfer or by corporate check, at the Seller's discretion.

2.2 Use of Fair Market Valuation Process. Following the execution of this Agreement, PAWC and Seller shall each take such further actions as are necessary to invoke, commence and complete the fair market **valuation** process set forth in Section 1329 of the Public Utility Code, 66 Pa.C.S. § 1329. Without limiting the generality of the foregoing, PAWC and Seller have each engaged a utility valuation expert from the list of such experts maintained by the Pennsylvania Public Utility Commission ("**PUC**") and have jointly selected and engaged a licensed engineer for the purposes set forth in Section 1329(a)(4) of the Public Utility Code, 66 Pa.C.S. § 1329(a)(4). All costs and expenses associated with the utility valuation experts shall be the

responsibility of the party engaging such expert. All costs and expenses associated with the licensed engineer jointly selected by the parties shall be shared equally between the PAWC and Seller. Seller agrees to provide such assistance and cooperation as is reasonably requested by PAWC to file and prosecute an application for approval of the transaction contemplated by this Agreement.

2.3 Purchase Price Adjustments. Any payments made in advance by Seller's wastewater customers for post-Closing service will be apportioned at Closing. PAWC shall receive a credit toward the Purchase Price in **Section 2.1** (starting with credit toward the Cash Payment) at Closing for the prorated amount of such advance payments for the period of the payment that is intended to follow Closing.

2.4 Escrow. As the payment of a portion of the Purchase Price, PAWC shall pay to Delaware Trust Company (the "**Escrow Agent**") an amount equal to One Million Dollars (\$1,000,000), plus the sum of Five Thousand Dollars (\$5,000) for each Missing Easement as of the Closing Date (the "**Escrow Amount**"), to be held by the Escrow Agent pursuant to the terms of the Escrow Agreement in the form attached hereto as Exhibit A in a segregated account (the "**Escrow Account**") for a period of up to one year following the Closing Date (the "**Escrow Release Date**"), to be utilized to fund any payments required to be made in connection with any claim made by PAWC pursuant to Article VIII regarding a Missing Easement.

ARTICLE 3 **THE CLOSING**

3.1 Closing. Subject to the terms and conditions of this Agreement, the closing of the sale and purchase of the Assets ("**Closing**") shall take place at the offices of Seller, or such other mutually agreed upon location, within thirty (30) days following the date on which all of the conditions set forth in Articles 6 and 7 of this Agreement have been met (or waived). The date of the Closing is referred to herein as the "**Closing Date.**"

3.2 Deliveries and Proceedings at Closing.

(a) Subject to the terms and conditions of this Agreement, at the Closing, Seller shall deliver or cause to be delivered to PAWC:

- (i) Bills of Sale and instruments of assignment duly executed by Seller as necessary to transfer all of the Assets, including an assignment of contracts agreement covering the assignment and assumption of the Assigned Contracts in substantially the form of Exhibit B ("**Assignment of Contracts Agreement**") attached hereto;
- (ii) A duly executed counterpart to the Escrow Agreement;
- (iii) A copy of each Governmental Approval, permit, license, easement, land-right and other necessary authority for the operation of the System and the Assets, in each case validly issued in the name of the Seller, and showing in full force and effect;
- (iv) The consents to transfer all Assigned Contracts, leases, intellectual property, Governmental Approvals and other Assets requiring such consents to be transferred to PAWC;

- (v) All written consents (of third parties or otherwise) and Governmental Approvals necessary to ensure that the PAWC will continue to have the same full rights with respect to the Assets that Seller had immediately prior to the Closing;
- (vi) Evidence satisfactory to PAWC of the transfer of all utilities with respect to the System from Seller to PAWC in accordance with **Section 6.1(b)** below;
- (vii) One or more Special Warranty Deeds of conveyance of the real estate and easements to PAWC, duly executed and acknowledged by Seller and in recordable form, each sufficient to convey the title and rights of access to the Assets;
- (viii) Such other deeds, bills of sale, assignments, certificates of title, documents and other instruments of transfer and conveyance as may reasonably be requested by PAWC, each in form and substance reasonably satisfactory to PAWC;
- (ix) Certified copies of all ordinances (“**Ordinances**”) and all resolutions (“**Resolutions**”) duly adopted by the Seller authorizing the execution, delivery and performance of this Agreement and all related agreements and the transactions contemplated hereby and thereby;
- (x) As applicable, a payoff letter from each lender (whether institutional or otherwise) from which Seller has incurred indebtedness or borrowed money that is outstanding, and a release of all Encumbrances relating to the Assets (along with Form UCC3 Financing Statements effectuating a termination of all outstanding financing statements covering the Assets) executed, filed and/or recorded by the holder of or parties to each such Encumbrance, if any, in each case in substance and form reasonably satisfactory to PAWC and its counsel;
- (xi) The certificates and other documents required to be delivered by Seller under this Agreement as set forth in **Section 8.1** hereof;
- (xii) The Opinion of Seller’s counsel as set forth in **Section 8.1(g)** hereof; and
- (xiii) All such other agreements, documents and instruments of conveyance required by this Agreement or as shall, in the reasonable opinion of PAWC and its counsel, be necessary to transfer the Assets to PAWC in accordance with this Agreement, and where necessary, in recordable form.

(b) Subject to the terms and conditions of this Agreement, at the Closing, PAWC shall deliver or cause to be delivered to Seller:

- (i) The Purchase Price;
- (ii) The Escrow Agreement, duly executed by each of Buyer and the Escrow Agent;
- (iii) Certified copies of the resolutions duly adopted by the PAWC’s Board of Directors authorizing the execution, delivery and performance of this Agreement; and

- (iv) The certificates and other documents required to be delivered by PAWC under this Agreement as set forth in **Section 8.2** hereof.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLER

4.1 **Seller's Representations.** Seller hereby represents and warrants to PAWC as follows:

(a) **Organization; Legal Authority.** The Seller is a duly organized municipal authority of the Commonwealth of Pennsylvania, validly existing, solvent, and in good standing under the laws of the Commonwealth of Pennsylvania, and Seller has the full power and lawful authority to transfer to PAWC the rights, title and interest in and to the Assets.

(b) **Assets Ownership.** Seller has clear, good, and marketable right and title to, or a valid leasehold interest in, all of the assets, property and facilities comprising the Assets, free and clear of all Encumbrances. **Schedule 4.1(b)** denotes all Assets that are subject to a leasehold interest (i.e., not owned by Seller). None of the Assets are leased or on loan by Seller to any third party. The Assets constitute all of the assets, property and facilities that, together with the rights granted or conveyed under the transaction documents, are necessary for the operation of the System, the business thereof, and the Assets as conducted as of the date hereof. Upon the Closing, PAWC shall continue to be vested with good title or a valid leasehold interest in the System and all of the Assets.

(c) **Financial Statements.** The Seller's Financial Statements that have been made available to PAWC by Seller have been prepared by Seller in accordance with generally accepted accounting principles consistently applied ("**GAAP**") (subject in the case of the Unaudited Financial Statements to normal year-end adjustments and the absence of footnotes). The Financial Statements were prepared from the books and records of Seller, are true, correct and complete and present fairly in all material respects the financial condition, operating results and cash flows of Seller as of the dates and during the periods indicated therein (subject in the case of the Unaudited Financial Statements to normal year-end adjustments and the absence of footnotes).

(d) **Due Authorization; Valid and Binding; No Encumbrances.** Seller, together with Wetmore and Kane, to the extent necessary, have the full power and lawful authority to enter into this Agreement and all related agreements and to consummate and perform the transactions contemplated hereby and thereby. Seller, Wetmore and Kane have duly and validly authorized the execution and delivery of this Agreement (which has been duly executed and delivered) and all related documents and agreements to which Seller, Wetmore or Kane is a party by all necessary proceedings, and this Agreement and all related documents and agreements constitute the valid and binding obligations of Seller, Wetmore and Kane enforceable against it in accordance with its terms. No filings or registrations with, notifications to, or authorizations, consents or approvals of, a governmental authority or third party are required to be obtained or made by Seller, Wetmore or Kane in connection with the execution, delivery or performance by Seller, Wetmore or Kane of this Agreement, all related agreements, or the consummation by Seller, Wetmore and Kane of the transactions contemplated herein or therein. Neither the contemplated transactions, nor this Agreement will result in the creation of any Encumbrance against any of the Assets.

(e) **Current Operations.** Seller has all requisite power and authority and all agreements, contracts, commitments, leases, certificates, licenses, Governmental Approvals, regulatory authorizations and other

instruments required to conduct the operations of the System as it has been and is now being conducted and to own and operate the Assets.

(f) No Approvals or Violations. This Agreement does not require any further approvals of any other party, does not violate any law, ordinance or regulation, does not conflict with any order or decree, and does not conflict with or result in a breach of any contract, lease or Governmental Approval to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected. The execution and delivery of this Agreement and all related documents and agreements, and the consummation of the transactions contemplated hereby and thereby, do not violate, conflict with or result in the breach of any term, condition or provision of Seller's articles of incorporation, bylaws or other governing documents, or any instrument, contract, lease, agreement, Governmental Approval, certificate or other document to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected.

(g) Accounts Receivable. All accounts receivable being retained by Seller under **Section 1.5** (whether billed or unbilled) (collectively, the "**Retained Accounts Receivable**"), are valid, genuine and existing and arose (or will have arisen on or prior to Closing) from bona fide sales of products or services actually made in the ordinary course of business on or prior to the Closing Date. All products and services with regard to the Retained Accounts Receivable have been provided by Seller (and no further obligations exist), and no offset, agreement for deduction, free goods, discount or deferred price or quantity adjustment has been made with respect to any Retained Accounts Receivable (or with respect to PAWC's accounts receivable for the period after Closing).

(h) Free Service; Customer List; Prepayments. Seller has not entered into any agreements or other understandings for the provision of free or otherwise subsidized or discounted services to any parties. The data contained in the customer records provided to PAWC under Section 6.1(j) is true and accurate in all material respects. Seller has not received payments made in advance by any third party (including Seller's wastewater customers) for future service (including service after the Closing) with regard to the System or the Assets.

(i) Undisclosed Liabilities. Except as set forth in **Schedule 4.1(i)**, there are no material liabilities or obligations of Seller, either accrued, absolute, liquidated or unliquidated, contingent or otherwise, relating to the Assets that would be required to be set forth on a balance sheet prepared under GAAP as applicable to municipal authorities, other than liabilities incurred in the ordinary course. There is no basis for any claim against Seller, the System or any of the Assets for any such liability or obligation, and there is no basis for any such liability or obligation to become the liability or obligation of PAWC from and after the Closing.

(j) Condition of Assets. All the tangible property included within the Assets is and has been maintained, repaired and replaced in accordance with the practices and standards that are generally recognized and accepted as good operation, maintenance, repair and replacement practices in the municipal wastewater treatment industry as observed in the United States and, to the best of Seller's knowledge, conforms to all applicable laws, ordinances, codes, Governmental Approvals, rules and regulations relating to their construction, use and operation, and is free from any defects except such defects as do not materially interfere with the continued use thereof in the conduct of the System's operations.

(k) Contracts. **Schedule 4.1(k)** contains a true, complete and accurate list of all agreements (including all verbal agreements and intermunicipal agreements), contracts, leases (including any leasehold interests constituting part of the Assets as described in **Section 4.1(b)**), licenses, commitments, arrangements and instruments related to the Assets to which Seller is a party or the Assets are otherwise subject or bound,

along with all amendments and addenda related thereto (collectively, the “**Contracts**”). **Schedule 4.1(k)** also identifies with an asterisk any Contract which requires consent to, or prohibits, assignment of the Contract. All Contracts are in full force and effect and are valid and enforceable in accordance with their terms, and the parties thereto are in material compliance with the provisions thereof, and there exists no event or condition which with the giving of notice or lapse of time, or both, would constitute a default thereunder. Seller has received, or will receive prior to the Closing, the written consent of each party to the Assigned Contracts designated on **Schedule 4.1(k)** as requiring consent to the assignment, or otherwise complied with Seller’s obligations under **Section 6.1(b)** hereof. Seller has delivered to PAWC correct and complete copies of those Contracts requested by PAWC, as well as copies of the requisite assignments for each of the Assigned Contracts which effectuates the transfer of the Assigned Contracts to PAWC as of the Closing Date. Except as disclosed on **Schedule 4.1(k)(i)**, Seller is not a party to any contract or subject to any arrangement for future payment of refunds under any extension agreement, customer deposit agreement or similar arrangement (including any prepaid tap fee) with respect to the Assets or the System.

(l) Adequacy of Property Rights: Real Property and Easements.

- (i) Subject to such limitations and matters as might be revealed by a title search and physical inspection (including surveys) of property rights held by the Seller (which such limitations and matters shall be subject to correction pursuant to **Section 6.2**), but excluding nevertheless from the foregoing condition any property rights necessary to operate the Assets and the System which the Seller does not possess, Seller possesses all property rights necessary to operate the Assets and the System, and Seller owns and has good and marketable title to the real property, free and clear of all options, leases, covenants, conditions, easements, agreements, claims, and other encumbrances of every kind, and there exists no restriction on the use or transfer of such property. As it relates to the Assets, **Schedule 4.1(l)(i)** contains a complete and accurate list of the real property owned by Seller and a complete and accurate list of each lease of real property to which Seller is a party (as the lessor, lessee or otherwise). Seller’s current use and occupancy of the real property and its operation of the System thereon does not violate any easement, covenant, condition, restriction or similar provision in any instrument of record or other unrecorded agreement affecting such real property. All leases, licenses, rights-of-way, and easements related in any manner to the assets and properties comprising the Assets and all other instruments, documents and agreements pursuant to which Seller has obtained the right to use any real property in connection with the Assets are in good standing, valid and effective in accordance with their respective terms, and with respect thereto, there is no existing material default or event that could constitute a material default. The real property is properly classified under applicable zoning laws, ordinances, and regulations for the current and continued operation of the System on the real property. No proceeding that could adversely affect the zoning classification of the real property is pending or threatened. At and after the Closing, PAWC shall have the right to maintain and use the real property, including the space, facilities and appurtenances outside of building lines, whether on, over or under the ground, and to conduct such activities thereon as maintained, used or conducted by Seller on the date hereof, and such right is not subject to revocation. Seller has made available to PAWC copies of all title reports, surveys, title policies and appraisals relating to the real property that are known to Seller and in its possession or in the possession of its counsel.

- (ii) Set forth on **Schedule 4.1(l)(ii)** hereto is a true, correct and complete list of all easements and rights-of-way relating to the real property and the Assets. All of such easements and rights-of-way are valid and will be transferred to PAWC and remain in full force as of the Closing and thereafter. Seller has not received any notice of violation of any easements, covenants, restrictions or similar instruments and there is no basis for the issuance of any such notice or the taking of any action for such violation. At and after the Closing, PAWC shall have all rights, easements and agreements necessary for the use and maintenance of water, sewer or other utility pipelines, poles, wires, conduits or other like facilities, and appurtenances thereto, over, across and under the real property.
- (iii) There are no outstanding options, rights-of-first refusal or rights-of-first offer to purchase any of the real property or any portion thereof or interest therein, except as otherwise set forth on **Schedule 4.1(l)(iii)**.
- (iv) With respect to all improvements located on, and the use presently being made of, the real property, Seller is not aware of any violation of zoning or building codes, ordinances or regulations or any applicable fire, environmental, occupational safety or health standards or similar standards established by applicable law. Subject to such matters as might be revealed by a title search or survey, to the best of Seller's knowledge, no improvements encroach on any land that is not included in the real property or on any easements affecting such real property, or violate any building lines or set-back lines, and there are no encroachments onto the real property, or any portion thereof, that would interfere with the use or occupancy of such real property or the continued operation of the System as currently conducted.
- (v) There is no unpaid tax, levy or assessment against the real property (except for encumbrances relating to assessments not yet due and payable), nor is there pending or threatened any condemnation proceeding against the real property or any portion thereof. **Schedule 4.1(l)(v)** contains a list of all impending taxes, levies and assessments that are due and owing after the Closing Date.
- (vi) Except as set forth in **Schedule 4.1(l)(vi)**, Seller is not aware of any condition affecting the real property or the improvements located thereon that requires repair or correction to restore the same to reasonable operating condition.

(m) **Litigation.** Except as disclosed on **Schedule 4.1(m)**, there is no action, suit, claim or litigation, arbitration, proceeding, judgment, injunction, audit or legal, administrative or governmental investigation pending (including any citations, notices, summons or orders), and none are known to be threatened against, pertaining to or affecting the System or any of the Assets (including any such actions, litigation and other claims against Seller) before any court, arbitrator or governmental authority (including any governmental authority), nor is there any order, writ, injunction or decree of any court, arbitrator or governmental authority, in existence against, pertaining to or affecting the Seller (including its commissioners, directors or officers), the System or any of the Assets. Except as noted in **Schedule 4.1(m)**, all matters disclosed in **Schedule 4.1(m)** are fully covered by Seller's insurance. There are no known laws, ordinances, regulations or official orders now in effect or pending that could reasonably be expected to have a material adverse effect on the System or the ownership, condition or operation of the System or the Assets. There are no actions, suits, claims, proceedings or investigations pending or, to the knowledge of the Seller, threatened against the Seller, and the

Seller is not subject to any outstanding judgment, order or decree of any court or governmental body, which would in either case, reasonably be expected to prevent or materially interfere with or delay the Seller's ability to perform its obligations under this Agreement.

(n) Tax Matters.

- (i) Seller has timely and properly filed all tax returns that it was required to file. All such tax returns were complete and correct in all material respects and were prepared in compliance with all applicable laws. All taxes owed by Seller have been paid. Seller is not the beneficiary of any extensions of time within which to file any tax return. There are no Encumbrances on any of the Assets that arose in connection with any failure (or alleged failure) to pay any tax.
- (ii) Seller has withheld and paid all taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, supplier, vendor, creditor, or other third party. Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.
- (iii) There are no audits or examinations of any tax returns pending or threatened that relate to Seller's operation of the System or the Assets. Seller is not a party to any action or proceeding by any governmental authority for the assessment or collection of taxes relating to the operation of the System, nor has such event been asserted or threatened. There is no waiver or tolling of any statute of limitations in effect with respect to any tax returns relating to Seller's operation of the System or the Assets.

(o) No Material Adverse Conditions; Insurance. There are no facts, circumstances or conditions existing or threatened that would have, or would be reasonably be expected to have, a material adverse effect on the condition, properties, assets, indebtedness, liabilities, commitments, operations or prospects of the System or the Assets. Seller maintains and has maintained appropriate insurance necessary for the full protection of all of the Assets, the System, and all related operations, products and services. All such policies are in full force and effect and Seller will use commercially reasonable efforts to cause such policies to be outstanding and in full force and effect as of Closing and immediately following the execution of this Agreement and the consummation of the contemplated transactions. There are no pending claims or proceedings arising out of, based upon or with respect to any of such policies of insurance and, to Seller's knowledge, no basis for any such claims or proceedings exists. Seller is not in default with respect to any provisions contained in any such insurance policies, and no insurance provider is in default with respect to such insurance policies.

(p) Compliance with Law. Except as disclosed on **Schedule 4.1(p)**, Seller is and has been in material compliance with all laws, ordinances, Governmental Approvals and governmental rules and regulations, whether civil or criminal, of any federal, state, local or foreign governmental authority applicable to the operation of the System and the Assets, including Environmental Laws (defined below) and employee labor, pension and benefits laws, to which Seller, the System or the Assets are subject, and has not failed to obtain, or to adhere to the requirements of, any certificate, license, Governmental Approval or other governmental authorization necessary for the operation of the System and the Assets, nor has Seller committed any violation of law or any provision of its governing documents applicable to the System or the Assets. Except as disclosed on **Schedule 4.1(p)**, Seller has not received, and has no reason to believe that it will receive, notice of any violation of law.

(q) Adequacy of Governmental Approvals. Set forth in **Schedule 4.1(q)** is a complete and correct list of all permits, licenses, consents, authorizations, orders, adjudications, decisions, judgments or rulings made, or rendered by any court, administrative agency, or other governmental authority of competent jurisdiction (individually, a “**Governmental Approval**” and collectively, the “**Governmental Approvals**”) used by Seller in the continuing operation of the System and for the Assets. Such Governmental Approvals constitute all those necessary for the continuing operation of the System and for the Assets, and are all valid and subsisting and in full force and effect. No fact or circumstance exists that is reasonably likely to cause any such Governmental Approval to be revoked or materially altered subsequent to the execution of this Agreement and the Closing Date, and neither the execution of this Agreement, nor the Closing do or will constitute or result in a default under or violation of any such Governmental Approval. Seller likewise has obtained and continues to possess all Governmental Approvals required under, by or pursuant to Environmental Laws (defined below), has filed such timely and complete renewal applications as may be required prior to the Closing Date, and also has complied with all reporting and recordkeeping requirements under Environmental Laws (defined below). Seller and PAWC acknowledge that Seller is in the process of renewing the NPDES permits applicable to the Kinzua Road Wastewater Treatment Plant and the Pine Street Wastewater Treatment Plant. Such Governmental Approvals shall be issued prior to Closing in a form and substance and contain terms and conditions that are satisfactory to PAWC in its sole and absolute discretion, and shall be a Final Order. For purposes of this Agreement, the term “Final Order” shall mean 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 of the governmental authority's action is pending or in effect and the deadline for filing any such appeal has passed.

(r) Environmental Matters.

- (i) To the best of Seller’s knowledge, there are no past or present events, conditions, circumstances, activities, practices, incidents, actions or plans pertaining or relating to the Assets or the System that may materially impede or prevent compliance with Environmental Laws, and Seller is, and at all times has been, in full compliance with and has not been, and is not in violation of or liable under any applicable Environmental Law. Seller has no basis to expect, nor has it received any actual or threatened order, notice or other communication from any governmental authority or other person of any actual or potential violation or failure to comply with any Environmental Law or of any actual or threatened obligation to undertake or bear the cost of any environmental, health and safety liabilities with respect to real property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest or with respect to the real property or any other real property at or to which hazardous materials were generated, manufactured, refined, transferred, imported, used or processed by Seller or any other person for whose conduct it is or may be held responsible, or from which hazardous materials have been transported, treated, stored, handled, transferred, disposed, recycled or received.
- (ii) There are no pending or threatened claims, encumbrances or other restrictions of any nature, resulting from any environmental, health and safety liabilities or arising under or pursuant to any Environmental Law with respect to or affecting the Seller’s real

property or any other properties and assets (whether real, personal or mixed) in which Seller has or had an interest. Neither Seller nor any other Person for whose conduct it is or may be held to be responsible has any material environmental, health and safety liabilities with respect to the Seller's real property or with respect to any other properties and assets (whether real, personal or mixed) in which Seller (or any predecessor) has or has had an interest or at any property geologically or hydrologically adjoining the real property or any such other property or assets.

- (iii) There are no hazardous materials, except those used in connection with the ordinary course operation of the System in accordance with all Environmental Laws, present on or in the environment at the real property or at any geologically or hydrologically adjoining property, including any hazardous materials contained in barrels, above or underground storage tanks, landfills, land deposits, dumps, equipment (whether moveable or fixed) or other containers, either temporary or permanent and deposited or located in land, water, sumps or any other part of the real property or such adjoining property or incorporated into any structure therein or thereon. Neither Seller, nor any other person for whose conduct it is or may be held to be responsible has permitted or conducted, or is aware of, any hazardous activity conducted with respect to the real property or any other properties or assets (whether real, personal or mixed) in which Seller has or has had an interest except in material compliance with all applicable Environmental Laws. There has been no release or threat of release, of any hazardous materials at or from the real property or from or by any other properties and assets (whether real, personal or mixed) in which Seller has or has had an interest (e.g., other properties that may impact or affect the Assets or the System), or any geologically or hydrologically adjoining property, whether by Seller or any other person.
- (iv) Except as set forth in **Schedule 4.1(r)(iv)**, none of the following exists at the System or on the real property that is part of the Assets: (1) underground storage tanks; (2) asbestos-containing material in any form; (3) materials or equipment containing polychlorinated biphenyl; (4) groundwater monitoring wells; or (5) landfills, surface impoundments, or disposal areas.
- (v) Seller has delivered to PAWC true and complete copies and results of any reports, studies, analyses, tests or monitoring possessed or initiated by Seller or its predecessors pertaining to hazardous materials or hazardous activities in, on or under the real property, or concerning compliance by Seller, its predecessors, or any other person for whose conduct Seller is or may be held to be responsible, with Environmental Laws, said reports, studies, analyses, tests and monitoring to include without limitation, any and all Phase I environmental reports now or hereafter in the possession or control of Seller.

(s) Compliance with Decrees. Seller has been and is in compliance with all Governmental Approvals, orders, decrees, judgments and notices issued against the Seller under or in connection with all Environmental Laws. As used in this Agreement, the term "**Environmental Laws**" shall include all federal, state, and local environmental laws and regulations, including the Clean Water Act, also known as the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq., the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et. seq., the Safe Drinking Water Act, 42 U.S.C. §§ 300 (f) et seq., the Surface Mining Control and Reclamation Act, 30 U.S.C. §§ 1201

et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., the Superfund Amendment and Reauthorization Act of 1986, Public Law 99-499, 100 Stat., 1613, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, the Atomic Energy Act, Act of August 30, 1954, Ch. 1073, 68 Stat. 919 (codified as amended in scattered sections of 5 U.S.C. and 42 U.S.C.). Any reference to a legislative act or regulation shall be deemed to include all amendments thereto and all regulations, orders, decrees, judgments, opinions, directives or notices issued thereunder.

(t) Customer Advances. Set forth in Schedule 4.1(u) is a complete and accurate list of all unexpired customer advances for construction held by Seller as of the date of this Agreement and extension deposit agreements (or similar agreements) to which Seller is a party (each an “Extension Deposit Agreement”), and which contain unexpired obligations of Seller to provide for the payment of periodic refunds to parties making advances for the construction of facilities for wastewater service. Seller will provide to PAWC within fifteen (15) days of the execution of this Agreement (to be updated at Closing), accurate and complete copies of each such customer advances and Extension Deposit Agreement. All records of Seller relating to each Extension Deposit Agreement are complete and accurate in all material respects and, together with the relevant Extension Deposit Agreement, represents all the information reasonably required to determine Seller’s obligations to each party to the Extension Deposit Agreements; and there are no disputes or disagreements with any party to an Extension Deposit Agreement relating to the amount due under that agreement or the method of calculating that amount. Schedule 4.1(u) may be updated at Closing only with the mutual consent of the parties.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF PAWC

5.1 PAWC’s Representations. PAWC hereby represents and warrants to Seller as follows:

(a) Organization. PAWC is a corporation duly organized, validly existing and subsisting under the laws of the Commonwealth of Pennsylvania.

(b) Due Authorization: Valid and Binding. PAWC has the full power and lawful authority to execute this Agreement and, following approval by its Board of Directors, to consummate and perform the transactions contemplated hereby, and PAWC has duly and validly authorized the execution of this Agreement by all necessary proceedings. This Agreement constitutes the valid and binding obligations of PAWC.

(c) Assigned Contracts. PAWC has disclosed on **Schedule 5.1(c)** those Contracts which PAWC has agreed to assume (“**Assigned Contracts**”), subject to receiving all necessary consents to assignment in accordance with the terms of **Section 8.1(g)**. PAWC may update **Schedule 5.1(c)** between the date hereof and up to twenty (20) days before Closing to include any of the Contracts.

(d) Financial Wherewithal. PAWC has sufficient funds on hand to pay the amounts due pursuant to this Agreement.

(e) Absence of Litigation. There are no actions, suits, proceedings or investigations pending or, to the knowledge of the PAWC, threatened against the PAWC, and the PAWC is not subject to any outstanding judgment, order or decree of any court or governmental body, which would in either case, reasonably be expected to prevent or materially interfere with or delay the PAWC’s ability to perform its obligations under this Agreement.

(f) **Brokers.** The PAWC has not employed any investment banker, broker or finder or incurred any liability for any investment banking fees, brokerage fees, commissions or finders' fees or any similar other fees or commissions in connection with the transactions contemplated by this Agreement for which the Seller has or could have any liability.

ARTICLE 6 **COVENANTS**

6.1 **Covenants of Seller.** From and after the date of this Agreement, Seller covenants and agrees that:

(a) **Conduct of Business.** Between the date of this Agreement and the Closing Date, Seller shall carry on the operation of the System, the business and the Assets in the ordinary course of business and in compliance with law and Governmental Approvals, not introduce any materially new method of management or operation, use reasonable best efforts to preserve the System, the business and the Assets, conserve the goodwill and relationships of its customers, suppliers, governmental authorities and others having business relations with it, maintain in full force and effect all policies of insurance now in effect for the benefit of Seller, maintain supplies at a level that is sufficient to operate the System in accordance with past practice and maintain the Assets in substantially the condition currently existing, normal wear and tear excepted. Without limiting the foregoing, Seller shall not sell, lease, dispose, retire, distribute or encumber any of the Assets, or construct, purchase or acquire any new assets, properties or rights relating to the System or Assets, or enter into a commitment or contract to do any of the foregoing (other than the purchase and use of supplies and maintenance of the System and the Assets in the ordinary course of business), without the prior written consent of PAWC.

(b) **Contracts and Commitments.** Except normal and usual commitments for the purchase of materials and supplies consistent with past practice, no contract or commitment shall be entered into by or on behalf of Seller relating to the System or the Assets that would place an Encumbrance thereon or materially affect the operation of the System, the business or the Assets after Closing, except for those commitments approved or ratified in writing by PAWC. Seller shall use reasonable commercial efforts to obtain, prior to Closing, the written consent of each party to the Assigned Contracts designated on **Schedule 4.1(k)** as requiring consent to the assignment. Notwithstanding any other provision of this Agreement, to the extent that any consent necessary for the assignment from Seller to PAWC of the Assigned Contracts is not obtained, or cannot be obtained, prior to the Closing Date, Seller shall use its commercially reasonable efforts to secure an arrangement reasonably satisfactory to PAWC intended to provide for PAWC following the Closing all of the material benefits of Seller under such Assigned Contracts; provided, that nothing in this **Section 6.1(b)** shall constitute a waiver of the conditions set forth in **Section 8.1(g)**; and provided, further, that PAWC shall not be obligated to assume, and shall not be liable under, any Assigned Contract for which Seller has not obtained all necessary consents, or otherwise secured an alternative arrangement satisfactory to PAWC (in its sole discretion) as provided above. Seller shall transfer all of the utilities used or necessary for the System from Seller to PAWC effective as of the Closing Date, and Seller shall be responsible to pay all bills and fees for these utilities for the period prior to and including the Closing Date. PAWC shall provide any necessary information reasonably required by Seller to effectuate this transfer.

(c) **Release of Encumbrances.** Seller shall take all action necessary to cause the release, cancellation and discharge of any and all Encumbrances, so that as of the Closing Date, the Assets will be free and clear

of any and all such Encumbrances. Seller also agrees not to create any new Encumbrances on the System or the Assets from and after the date of this Agreement without the prior written consent of PAWC.

(d) Material Events and Circumstance. Seller shall promptly inform PAWC in writing of any specific event or circumstance of which Seller is aware, or of which Seller receives notice, that has or is reasonably likely to have, individually or in the aggregate, taken together with the other events or circumstances, a material adverse effect on the System or the Assets.

(e) Supplemental Information.

(i) Seller shall provide PAWC, within fifteen (15) days of execution or the date of receipt thereof, a copy of (a) each of the Contracts entered into by Seller after the date hereof and prior to Closing relating to the System or the Assets; (b) a copy of any written notice of assessments for public improvements against any of the Assets received after the date hereof and prior to Closing; (c) any writs of summons or complaints filed against Seller or its representatives for any and all claims relating to the System or the Assets; and (d) a copy of the filing of any condemnation, eminent domain or similar proceeding affecting all or any portion of the System or the Assets received after the date hereof, but prior to the Closing.

(ii) Seller shall notify PAWC within fifteen (15) days of the receipt of any notice of violation.

(f) Regulatory Consents. Seller shall at all times, use its best efforts to and diligently pursue all approvals, authorizations, consents and Governmental Approvals required to be obtained to consummate the transaction contemplated by this Agreement, including approval of any necessary revision to the Act 537 Plan. Seller shall (i) as promptly as practicable, make or cause to be made such filing and submissions under the laws, rules and regulations applicable to it as may be required for Seller to sell the Assets pursuant to the terms of this Agreement; and (ii) keep PAWC apprised of the status of any filing or submission to any such governmental or regulatory agency.

(g) Municipal Ordinances and Agreements. To the extent that Wetmore or Kane has ordinances or laws that require properties to connect to and remain connected to the System, Wetmore and Kane each agrees to maintain such ordinances or laws so long as the Assets, or modifications, renewals, replacements thereto, exist within the municipal boundaries of Wetmore or Kane, respectively. In addition, Seller is a party to an intermunicipal agreement among Seller, Kane, and Wetmore dated July 8, 1992 (the “**Intermunicipal Agreement**”) that, *inter alia*, requires Kane and Wetmore to adopt and maintain in effect ordinances that require certain property owners to connect to the System and to pay charges assessed for such usage. Seller shall at Closing assign Seller's interest in the Intermunicipal Agreement to PAWC. Wetmore and Kane do each hereby consent to the assignment of the Intermunicipal Agreement to PAWC, and acknowledge that the Intermunicipal Agreement shall remain in full force and effect following such assignment to PAWC. Seller shall also maintain in effect Seller's existing rules and regulations governing connections to and use of the System by its customers.

(h) Access. Seller shall provide PAWC and its representatives free and full access to and right to inspect, during normal business hours and upon prior written notice, all of the premises, properties, assets, records, Governmental Approvals, contracts and other documents relating to the Assets and shall permit PAWC to consult with its officers, employees and other representatives for purposes of making such

investigation of the Assets as PAWC shall desire to make, provided that no investigation shall unreasonably interfere with the Seller's operation of the System.

(i) Customer List. Within thirty (30) days of execution of this Agreement, Seller shall provide PAWC an accurate and complete listing of all customers of the System. This customer list shall provide the customer names, service addresses, billing addresses, and meter sizes and serial numbers in meter reading route sequence and shall denote those customers from which Seller has received notice to cancel or intend to cancel their account with Seller (or PAWC after Closing). This customer list shall be true and correct as of the date such list is provided to PAWC and shall be updated at Closing and provided to PAWC at Closing so as to be true and correct as of the Closing Date.

(j) Customer Advances. Prior to the Closing Date, Seller shall complete the construction of all mains and facilities for which Seller has received customer advances and return all unexpended customer advances to the appropriate depositor. Provided, however, that for projects acceptable to and approved in writing by PAWC, Seller may pay over to PAWC the unexpended customer advances, and PAWC shall assume all of the responsibility of Seller as to those unexpired customer advances and shall be bound by the terms and conditions contained in the Extension Deposit Agreements. PAWC shall not assume any responsibility for any unexpired customer advances received by Seller, or for any Extension Deposit Agreements to which Seller becomes a party, except as specifically agreed to in writing.

(k) Updating of Information. Between the date of this Agreement and the Closing Date, Seller will deliver revised or supplementary Schedules to this Agreement, containing accurate information as of the Closing Date, in order to enable PAWC to confirm the accuracy of Seller's representations and warranties and otherwise effectuate the provisions of this Agreement. The receipt by PAWC of any revised or supplementary Schedules to this Agreement shall in no way prejudice PAWC's right to terminate this Agreement based upon the failure of any condition to be satisfied under Section 8.1 hereof or seek indemnification under Section 9.1. Seller will promptly inform PAWC, in writing, of the occurrence or failure of any action or event that would violate Seller's representations and warranties under this Agreement or render them inaccurate as of the date hereof or the Closing Date or that would constitute a breach of any covenant of Seller under this Agreement or a failure of any condition to the obligations of either Seller or PAWC under this Agreement.

(l) Retention of Records. Seller, or Seller's corporate or municipal successor, shall preserve any books and records relating to the System and the business that are not delivered to PAWC hereunder for a period of no less than seven (7) years after the Closing Date (or such longer period as shall be required by applicable law), and Seller shall make available such books and records for review and copying to PAWC and its authorized representatives following the Closing at PAWC's expense upon reasonable notice during normal business hours. During such period, Seller shall permit, to the extent permitted by applicable law and upon request of PAWC, PAWC and any of its agents, representatives, advisors or consultants reasonable access to all properties, books, contracts and records of Seller related to the System and employees of or servicing the business for information related to periods up to and including the Closing.

(m) Missing Easements. The term "Missing Easement" shall mean any easement, right-of-way, license, and other agreement for and over the real property of third parties that is appurtenant to any Asset or necessary for access to any Asset or for the operation of any System Asset or otherwise which is necessary for or used in connection with the operation of the System or to provide continuous and unimpeded rights-of-way for the Assets (including access thereto) which has not been obtained by Seller prior to such date or with respect to which there is an unresolved title objection, or is not sufficient to operate the System as currently conducted. If it is determined that there is a Missing Easement, Seller shall take any and all actions

(including the use of its power of condemnation) as may be necessary to obtain any Missing Easement so that the same may be sold, assigned, transferred and conveyed to PAWC at the Closing pursuant to the terms and conditions of this Agreement. All costs and expenses incurred in connection with obtaining each such 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. Seller's obligations under this paragraph shall terminate one (1) year after the Closing Date.

6.2 **Title Information.** Within ninety (90) days following the execution of this Agreement, Seller shall deliver to PAWC true, correct and complete copies of all existing title policies, surveys, leases, deeds, instruments and agreements in Seller's possession relating to title to the real estate and easements constituting part of the Assets, as well as any amendments thereto through to Closing. Thereafter, PAWC may conduct an abstract of such title information to determine whether Seller has sufficient real estate rights and continuous rights-of-way to permit PAWC, upon Closing, to operate a continuous wastewater system, including lines, facilities, fittings and appurtenances necessary to operate such wastewater system, and that such rights are represented by legal instruments in appropriate form, duly recorded. Upon notification by PAWC that such legal rights for the System are not sufficient for the operation of the System, Seller shall, at its sole expense, secure such additional legal rights as PAWC may request.

6.3 **Stormwater Facilities.** Seller, Kane and Wetmore will each retain through the Closing Date their respective rules and regulations that prohibit stormwater system facilities from being connected to or from causing stormwater infiltration into the System. Such rules and regulations shall be no less restrictive with regard to stormwater discharges into or infiltrating the System after Closing than they were prior to Closing, to the extent permitted by law. Following the Closing, if PAWC identifies stormwater system facilities interconnected with the System, then PAWC may, at its sole cost and discretion, disconnect or separate such stormwater system facilities from the System and shall either (a) connect the stormwater system facilities into the municipal stormwater system owned by Kane or Wetmore, as the case may be, consistent with applicable engineering standards and applicable DEP permit requirements or (b) create municipal separate stormwater facilities or systems for dedication, at no cost to Kane or Wetmore, or its designee, to Kane or Wetmore, as the case may be, consistent with applicable engineering standards and applicable DEP permit requirements. PAWC shall transfer ownership of such municipal separate stormwater systems or facilities to Kane or Wetmore, or its designee, who shall accept such transfer and ownership if such systems or facilities are designed and constructed consistent with applicable engineering standards and applicable DEP permit requirements.

6.4 **Dual Meter Readings.** On or about the Closing Date, PAWC and Seller shall take a dual meter reading for each of the customers of the System, which shall be used for (i) Seller to issue a final invoice to customers covering the period on and before the Closing Date, and (ii) PAWC to obtain its initial meter reading for future invoices covering the period after the Closing Date. The parties shall coordinate in good faith and agree upon these meter readings at such time, which shall be used for such invoices and all accounts receivable being retained by Seller (per **Section 1.5**).

6.5 **Further Assurances.** Each party to this Agreement shall cooperate and deliver such instruments and take such action as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby. After the Closing, each party shall take such other actions and execute such other documents, instruments, certifications, and further assurances as Seller or PAWC, as the case may be, may reasonably require in order to make effective the transactions contemplated hereby (including to transfer to PAWC or to put PAWC more fully in possession of any of the Assets).

6.6 Cooperation. Subject to the terms and conditions of this Agreement, the parties shall cooperate fully with each other and their respective counsel and accountants in connection with, and take or cause to be taken and do or cause to be done, any actions required to be taken under applicable law to make effective the contemplated transactions as promptly as practicable. Prior to the Closing, the parties shall proceed expeditiously and in good faith to make such filings and take such other actions as may be reasonably necessary to satisfy the conditions to Closing set forth herein. Any and all filing fees in respect of such filings shall be paid by Seller, with the exception of those fees implemented by the PUC, which shall be paid by the PAWC. On or after the Closing Date, the parties shall, on request, cooperate with one another by furnishing any additional information, executing and delivering any additional documents and instruments, including contract assignments not obtained prior to Closing, and doing any and all such other things as may be reasonably required by the parties or their counsel to consummate or otherwise implement the transactions contemplated by this Agreement. Seller hereby agrees to cooperate with PAWC to ensure a proper transition of all customers with respect to billing and customer service activities, including assisting PAWC to place all customer information in a format reasonably requested by PAWC. Seller hereby further agrees to cooperate with PAWC to obtain Final Orders from DEP and every other governmental authority with respect to combined sewer overflows as set forth in Section 8.1(f) of this Agreement.

6.7 Rules and Regulations of Service At and After Closing. Except as otherwise may be provided in this Section 6.7 regarding rates, PAWC shall apply, at and after Closing, its then-existing rates, rules and regulations for wastewater service as set forth in its Tariff. PAWC shall implement Seller's wastewater rates then in effect at Closing as PAWC's effective wastewater base rates for the service area presently being served by Seller; provided that, PAWC shall have no obligation to fulfill or maintain any agreements or other understandings for the provision of free or otherwise subsidized or discounted services to any parties. Seller's wastewater rates to be implemented by PAWC at Closing are shown in **Schedule 6.7**. PAWC intends to bill on a monthly basis. For all miscellaneous fees and charges, and pass-through costs approved by the PUC, PAWC will implement its existing rates, rules and regulations including PAWC's capacity reservation fee for new equivalent discharge units, distribution system improvement charges, state tax adjustment surcharge and low-income rider. For clarification purposes, PAWC will charge a capacity reservation fee of \$4,000 per new equivalent discharge units for the allocation of treatment, pumping, and transmission, truck and interceptor main capacity, commencing with the date of Closing. No capacity reservation fee will be charged for any applicant for wastewater service that meets the criteria of a Bona Fide Service Applicant, as defined in 52 Pa. Code Section 65.1 (excluding clause (iii) of that definition) if "wastewater" were substituted for "water".

6.8 Borough Employees. PAWC will offer employment, effective as of the completion of Closing, to each of the current four (4) treatment plant operator employees at wages no less than wages offered by Kane as of the date of this Agreement and with PAWC employee benefits, subject to possession of a valid Pennsylvania driver's license, successful completion of a functional capacity physical examination, any security clearances and other standard hiring procedures of PAWC (including pre-employment drug screen and background check). Any employee hired under this Agreement will be credited with his/her Kane service solely for the purpose of vacation allowance and PAWC-Kane wastewater seniority. The list of Kane's full-time employees by job position/title to which PAWC's obligation of offer of employment per this **Section 6.8** is set forth in **Schedule 6.8**.

ARTICLE 7

PENNSYLVANIA PUBLIC UTILITY COMMISSION APPROVAL

7.1 Pennsylvania PUC Approval. The obligation of PAWC to consummate the transactions contemplated by this Agreement are conditioned upon PAWC receiving a Final Order(s) from the PUC in

form and substance and containing terms and conditions reasonably satisfactory to PAWC. PAWC covenants and agrees to initiate, and use commercially reasonable efforts to prosecute the necessary proceedings to obtain the approval of the PUC for: (a) this Agreement and the transactions contemplated hereby which require approval by the PUC, including the transfer by sale of the Assets to PAWC and the Assignment of Contracts Agreement; (b) the right of PAWC to provide wastewater service to the public primarily in the service area presently being served by Seller's System; (c) the right of PAWC to apply after Closing PAWC's rules and regulations for service as set forth in PAWC's Tariff for the service area presently being served by Seller's System; (d) the right of PAWC to adopt Seller's rates as PAWC's rates in the area to be served at the time of Closing; and (e) any other approval as may be appropriate to consummate the transactions contemplated by this Agreement. Seller, by this Agreement, covenants and agrees to provide such information, documents and assistance as may be reasonably requested by PAWC in connection with any such proceedings and to otherwise cooperate in the initiation and prosecution of any such proceeding.

ARTICLE 8

CONDITIONS PRECEDENT

8.1 Conditions Precedent to PAWC's Obligations. The obligation of PAWC to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing, of each of the following conditions (any one or more of which may be waived in writing in whole or in part by PAWC in its sole discretion):

(a) Representations and Warranties. Seller's representations and warranties set forth in this Agreement or in any Schedule, list, certificate or document delivered pursuant to this Agreement shall be true, correct and accurate as of the date made and at and as of the time of the Closing with the same force and effect as though such representations and warranties were made at and as of the Closing Date (without giving effect to any supplement to the Schedules), and PAWC shall have received from a proper representative of Seller a certificate to such effect, in form and substance reasonably satisfactory to PAWC.

(b) Performance of Covenants and Agreements. Seller shall have performed and complied with in all material respects all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, and PAWC shall have received from a proper representative of Seller a certificate to such effect, in form and substance reasonably satisfactory to PAWC.

(c) Adverse Change. There shall not have been a material adverse change, occurrence or casualty, financial or otherwise, to the System or the Assets (including a material loss of customers or Contracts), whether covered by insurance or not.

(d) Release of Liens. All necessary action shall have been taken to cause the release, cancellation and discharge of any and all Encumbrances so that as of the Closing, the Assets shall be free and clear of any and all Encumbrances, and Seller shall have provided PAWC with such opinions, instruments or documents as PAWC may reasonably request, and in form and substance satisfactory to PAWC, evidencing the release, cancellation and discharge of any and all Encumbrances and that the Assets are not subject to any liens or Encumbrances.

(e) Other Regulatory Consents. Seller shall have obtained all Final Orders (including consents for Governmental Approval transfers) that are required to consummate the transactions contemplated by this Agreement and for PAWC to operate the System and the Assets after the Closing, including all Governmental Approvals from the Pennsylvania Department of Environmental Protection (the "DEP") and every regulatory agency of federal, state or local government that may be required in PAWC's

opinion, each in form and substance (including with respect to the terms and conditions contained in any such approval) acceptable to PAWC in its sole and absolute discretion. Without limiting the generality of the foregoing, Seller shall have received renewed NPDES permits for the Kinzua Road Wastewater Treatment Plant and the Pine Street Wastewater Treatment Plant, and such Governmental Approvals shall be in a form and substance and contain terms and conditions that are satisfactory to PAWC in its sole and absolute discretion, and shall be Final Orders.

(f) Combined Sewer Overflow Approvals. PAWC shall have obtained all Final Orders from DEP and every other governmental authority that may be required in PAWC's opinion such that PAWC is authorized to operate the System and the Assets after the Closing under the same policies, standards, plans, terms and conditions as apply to the System as of the Effective Date with respect to combined sewer overflows, including but not limited to, the Long Term Control Plan and Nine Minimum Controls Plan adopted by Seller and approved by such Governmental Authorities in effect as of the Effective Date. Each such Final Order shall be in form and substance (including with respect to the terms and conditions contained in any such approval) acceptable to PAWC in its sole and absolute discretion.

(g) Opinion of Counsel and Resolution. Seller shall have delivered to PAWC a written Opinion of Seller's counsel, dated as of the Closing Date and addressed to PAWC, in the form set forth in **Schedule 8.1(g)**, along with a copy of the Resolutions, certified by their proper representatives, approving the execution, delivery and performance of this Agreement by Seller, together with the certificate of its proper representatives that said Resolutions are in full force and effect and were duly adopted.

(h) Contractual Consent. Seller shall have obtained written approvals, authorizations and consents of transfer to all Assigned Contracts and Governmental Approvals, to the extent specifically required by the terms of such Assigned Contracts and Governmental Approvals.

(i) Certification of Financial Information. Seller shall have delivered to PAWC a certificate, in substantially the form set forth in **Schedule 8.1(i)**, executed by its authorized representative in the form and substance satisfactory to PAWC, listing (i) the amount of its net outstanding long-term debt or notes, if any, related to the System; (ii) all unexpired customer advances for construction and unexpired contributions in aid of construction as of the Closing Date; and (iii) any and all additions or retirements to the System during the period from the date of execution of this Agreement to the Closing Date, together with the cost thereof.

(j) Closing Deliveries. Seller shall have delivered all documents required to be delivered by it pursuant to **Section 3.2(a)**.

(k) Act 537 Plans. Any and all Act 537 Plans that DEP requires to be updated as a result of PAWC's purchase shall be revised and approved prior to Closing unless otherwise agreed to in writing by the parties to this Agreement.

(l) Proceedings. No provision of any law or order shall be in effect, and no proceeding by any person shall be threatened or pending before any governmental authority, or before any arbitrator, that would: (i) prevent consummation of the contemplated transactions; (ii) have a likelihood of causing the contemplated transactions to be rescinded following consummation; (iii) adversely affect the right of PAWC to own any of the Assets or operate the System; or (iv) adversely affect the System prospects or the value or condition of any of the Assets or the System.

(m) Due Diligence. PAWC shall have completed and be satisfied, in its sole and absolute discretion, with the results of its due diligence review of the System, the Assets and Seller, including with the results of any environmental assessment performed with respect to any real property or the Assets or chain of title search, all material contracts and Governmental Approvals and licenses of the System, and the Seller's operations, contracts, employment practices, compliance, accounting and other items as PAWC deems necessary, as each of the foregoing items relate to the System or the Assets.

(n) Authorization of Contemplated Transactions. PAWC shall have obtained all necessary corporate approvals to consummate the contemplated transactions, including the approval of its Board of Directors.

(o) PUC Approval. The PUC shall have entered a Final Order (or Final Orders) providing the approvals set forth in Section 7.1.

(p) Missing Easements. There shall be not more than twenty (20) Missing Easements.

8.2 Conditions Precedent to Seller's Obligations. The obligation of Seller to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing, of each of the following conditions (any one or more of which may be waived in writing in whole or in part by Seller in its sole discretion):

(a) Representations and Warranties. PAWC's representations and warranties contained in this Agreement or in any Schedule, list, certificate or document delivered pursuant this Agreement shall be true, correct and accurate as of the date made and at and as of the time of the Closing, with the same force and effect as though such representations and warranties were made at and as of the Closing Date (without giving effect to any supplement to the Schedules), and Seller shall have received from an officer of PAWC a certificate to such effect, in form and substance reasonably satisfactory to Seller.

(b) Performance of Agreements. PAWC shall have performed and complied, in all material respects, with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing, and Seller shall have received from an officer of PAWC a certificate to such effect, in form and substance reasonably satisfactory to Seller.

(c) Closing Deliveries. PAWC shall have delivered the Purchase Price and all documents required to be delivered by it pursuant to **Section 3.2(b)**.

ARTICLE 9 **INDEMNIFICATION**

9.1 Indemnification By Seller. Seller shall fully pay, protect, defend, indemnify and hold harmless the PAWC and its affiliates and their respective officers, directors and agents and representatives ("PAWC Indemnified Parties") from any and all Damages arising out of, resulting from, relating to or caused by: (i) a misrepresentation, inaccuracy in or breach of (or any claim by any third party alleging or constituting a misrepresentation, inaccuracy in, or breach of) any representation or warranty of, or any failure to perform or nonfulfillment of any provision or covenant contained in this Agreement or any other transaction document, by Seller; (ii) any and all liabilities of Seller of any nature (including the retained liabilities in **Section 1.3(a)**), whether due or to become due, whether accrued, absolute, contingent or otherwise, whether accruing prior

to or after the Closing Date, or arising out of any transaction entered into, any state of facts existing or any event occurring on or prior to such date, and any Encumbrance affecting the Assets or the System; (iii) assessments, charges and other similar claims due or owing, directly or indirectly, by Seller or otherwise as a result of or on account of the Assets or the System at any time on or prior to the Closing Date; (iv) the ownership and/or operation of any of the Assets or the System on or prior to the Closing Date; (v) any proceeding now existing or hereafter arising and relating to the Assets or the System and arising from events or matters occurring on or prior to the Closing Date, regardless of when realized; (vi) all assets, properties and rights of Seller excluded from the Assets; (vii) any and all liabilities relating to the employees, agents and independent contractors of Seller who performed services for Seller or related to the System or the Assets, regardless of whether such liabilities arose from events occurring prior to or after the Closing; (viii) the failure to comply with the provisions of any so-called bulk transfer or bulk sale law of any jurisdiction in connection with the sale of the System and the Assets to PAWC, and (ix) transaction costs and expenses incurred by or on behalf of Seller in connection with this Agreement or the contemplated transactions.

No information or knowledge acquired, or investigations conducted, by PAWC or its representatives, of Seller, the Assets, the System or otherwise, shall in any way limit, or constitute a waiver of, or a defense to, any claim for indemnification by the PAWC Indemnified Parties under this Agreement.

As used in this Agreement, the term “**Damages**” means all losses, damages, assessments, judgments, awards, fines, penalties, taxes, interest, costs and expenses (including actual, reasonable out-of-pocket third party costs, fees and expenses of legal counsel and reasonable out-of-pocket third party costs, fees and expenses of investigation).

9.2 Indemnification By PAWC. PAWC agrees to indemnify, defend and hold harmless Seller, Kane, Wetmore, and their affiliates and their respective officers, directors and agents at all times after the date of this Agreement, from, against and in respect of any and all Damages resulting from (i) a misrepresentation, an inaccuracy in or breach of (or any claim by any third party alleging or constituting a misrepresentation, an inaccuracy in, or breach of) any representation or warranty of, or any failure to perform or nonfulfillment of any provision or covenant contained in this Agreement or any other transaction document, by PAWC: and (ii) any and all liabilities of PAWC of any nature related to the PAWC’s operation of the System and the Assets and occurring after the Closing Date.

9.3 Survival of Representations and Warranties. All representations, warranties, covenants and agreements made by the parties in this Agreement or in any agreement, document, statement or certificate furnished hereunder or in connection with the negotiation, execution and performance of this Agreement shall survive the Closing. Notwithstanding any investigation or audit conducted before or after the Closing Date, or the decision of any party to complete the Closing, each party shall be entitled to rely upon the representations, warranties, covenants and agreements set forth herein and therein. Notwithstanding anything contained herein or elsewhere to the contrary, all “material” and “material adverse effect” or similar materiality type qualifications contained in the representations and warranties set forth in this Agreement shall be ignored and not given any effect for purposes of the indemnification provisions hereof, including for purposes of determining the amount of any Damages.

9.4 Notice of Claim. If either party seeks indemnification on behalf of an indemnified person, such party seeking indemnification (the “**Indemnified Party**”) shall give reasonably prompt written notice to the indemnifying party (the “**Indemnifying Party**”) specifying the facts constituting the basis for such claim and the amount, to the extent known, of the claim asserted; provided, however, that the right of a person or entity to be indemnified hereunder shall not be adversely affected by a failure to give such notice unless, and

then only to the extent that, an Indemnifying Party is actually irrevocably and materially prejudiced thereby. Subject to the terms hereof, the Indemnifying Party shall pay the amount of any valid claim not more than ten (10) days after the Indemnified Party provides notice to the Indemnifying Party of such amount.

ARTICLE 10 **TERMINATION**

10.1 **Termination.** This Agreement may be terminated at any time prior to Closing only (a) by mutual written consent of Seller and PAWC; (b) by Seller or PAWC upon written notice to the other, if the Closing shall not have occurred on or prior to June 30, 2020; provided, however, that the right to terminate this Agreement under this **Section 10.1** shall not be available to any party whose breach under this Agreement has caused or resulted in the failure of the Closing to occur on or before such date; (c) by PAWC, if PAWC is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a breach of a representation, warranty, covenant or agreement contained in this Agreement on the part of Seller and Seller has not cured such breach within five (5) business days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured); (d) by PAWC, if, at any time before Closing, PAWC is not satisfied (in its sole and absolute discretion) with the results of its due diligence review of the System and the Assets or the prospects of obtaining all regulatory consents and approvals; (e) by Seller, if Seller is not in material breach of any of its representations, warranties, covenants and agreements under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement contained in this Agreement on the part of PAWC and PAWC has not cured such breach within five (5) business days after receipt of notice of such breach (provided, however, that, no cure period shall be required for a breach which by its nature cannot be cured); (f) by Seller or PAWC upon written notice to the other, if any court of competent jurisdiction or other competent governmental entity shall have issued a statute, rule, regulation, order, decree or injunction or taken any other action permanently restraining, enjoining or otherwise prohibiting the contemplated transactions, and such statute, rule, regulation, order, decree or injunction or other action shall have become final and non-appealable; or (g) by PAWC, if all necessary regulatory approvals contemplated hereby or otherwise necessary to close the contemplated transactions have not been obtained within two hundred seventy (270) days of the date hereof.

10.2 **Effect of Termination.** The right of each party to terminate this Agreement under **Section 10.1** is in addition to any other rights such party may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to **Section 10.1**, all further obligations of the parties under this Agreement will terminate, except that the obligations set forth in this **Section 10.1** (“**Effect of Termination**”) and **Article 11** (“**Miscellaneous**”) will survive; provided, however, that if this Agreement is terminated by a party because of the breach of the Agreement by another party or because one or more of the conditions to the terminating party’s obligations under this Agreement is not satisfied as a result of the other party’s failure to comply with its obligations under this Agreement, the terminating party’s right to pursue all legal remedies will survive such termination unimpaired.

ARTICLE 11 **MISCELLANEOUS**

11.1 **Joinder by Wetmore and Kane.** In order to facilitate the transaction set forth in this Agreement, Wetmore Township and Kane Borough each join in this Agreement to the extent necessary to

accomplish the intent and purposes set forth herein, including but not limited to the specific provisions set forth in Sections 4.1(d), 6.1(g) and 6.3.

11.2 Contents of Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto. Any and all previous agreements and understandings between or among any or all of the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement.

11.3 Binding Effect. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the legal representatives, successors and assigns of Seller or PAWC.

11.4 Waiver. Any term or provision of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof by a written instrument executed by such party or parties.

11.5 Transfer Taxes. Any transfer taxes imposed on the conveyance or transfer of any real property pursuant to this Agreement shall be split equally by PAWC and Seller (i.e., each pay 50% of such taxes).

11.6 Notices. Any notice, request, demand, waiver, consent, approval or other communication that is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally, by facsimile (if followed by overnight courier on the same date) or sent by nationally recognized overnight courier, as follows:

If to PAWC:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, Pennsylvania 17055
Attention: General Counsel
Fax: 717-531-3399

With a required copy to:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, Pennsylvania 17055
Attention: Bernie Grundusky, Director Business Development
Fax: 717-790-3057

If to Seller:

Borough of Kane Authority
112 Bayard Street Kane, Pennsylvania 16735
Attention: Chairman
Fax: _____

With a required copy to:

Borough of Kane
112 Bayard Street, Kane PA 16735
Attention: Don Payne, Borough Manger
Fax: _____

If to Wetmore Township:

Wetmore Township
318 Spring Street
Kane, Pennsylvania 16735112
Attention:
Fax: _____

With a required copy to:

If to Borough of Kane:

Borough of Kane
112 Bayard Street Kane, Pennsylvania 16735
Attention:
Fax: _____

With a required copy to:

Borough of Kane
112 Bayard Street, Kane PA 16735
Attention: Don Payne, Borough Manger
Fax: _____

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered.

11.7 Law to Govern. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to any conflicts of law's provisions.

11.8 No Benefit to Others. The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto, and their legal representatives, successors and assigns, and they shall not be construed as conferring any rights on any other persons.

11.9 Interpretation. All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement, and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires. Unless otherwise indicated, the words “including”, “includes,” “included,” and “include” when used, are deemed to be followed by the words “without limitation.”

11.10 Schedules. All Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

11.11 Severability. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction or under any circumstance shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstance, unless, in either event, the involved or unenforceable provision causes this Agreement to fail of its essential purpose.

11.12 Counterparts. This Agreement may be executed by facsimile, electronically or by exchange of documents in PDF format, and in several counterparts, each of which shall be deemed an original instrument and all of which together shall constitute a single agreement. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

11.13 Risk of Loss. Seller assumes risk of loss in connection with the Assets prior to Closing, including risk of loss from fire and other casualty. In the event of any loss or damage to any of the Assets, PAWC at its option, prior to or at Closing shall have the right to (i) request that the damaged asset be replaced or restored to substantially the same condition of the asset as of the date of this Agreement; (ii) request an adjustment to the Purchase Price as can be agreed upon by the parties, or (iii) request the insurance proceeds of the Seller and/or other moneys to enable PAWC to make a proper restoration of the damaged asset.

11.14 Environmental Assessment. Without limiting the parties' rights and obligations under this Agreement (including **Sections 6.1(h), 8.1(k) and 10.1(d)**), after the date of this Agreement and until the Closing Date, PAWC shall have the reasonable right to enter upon the property and facilities constituting the System, after making reasonable prior arrangement with Seller, for the purposes of conducting an environmental assessment of the System. PAWC shall notify Seller in writing if the environmental assessment reveals the presence of oil or petroleum products or any hazardous or toxic wastes or materials or storage of fuel tanks or any other environmental hazard or contamination. Within fifteen (15) days of the date of such notice, Seller shall advise PAWC in writing as to whether Seller can cure the environmental hazard or contamination and, if so, what remediation actions Seller will take to cure. In connection with such environmental assessment, PAWC shall have the right, in PAWC's sole discretion, to terminate this Agreement upon written notice to Seller.

11.15 Specific Performance and Injunctive Relief; Remedies. The parties hereto recognize that if either of them fails to perform, observe or discharge any of their respective obligations under this Agreement, a remedy at law may not provide adequate relief to the other party. Therefore, in addition to any other remedy provided for in this Agreement or under applicable law, a party hereto may demand specific performance of this Agreement, and such party shall be entitled to temporary and permanent injunctive relief, in a court of

competent jurisdiction at any time if the other party fails to comply with any of the provisions of this Agreement applicable to such party. To the extent permitted by applicable law, the parties hereby irrevocably waive any defense based on the adequacy of a remedy at law that might be asserted as a bar to such party's remedy of specific performance or injunctive relief. Except as otherwise provided herein, all rights and remedies of the parties under this Agreement are cumulative and without prejudice to any other rights or remedies under law. Nothing contained herein shall be construed as limiting the parties' rights to redress for fraud.

11.16 Termination of Seller's Existence Following Closing. In the event of the termination of the existence of the Seller in accordance with Section 5619 of the Municipality Authorities Act and other applicable law following the Closing, all remaining property and other assets as well as any potential liabilities and obligations of the Seller (as the terminated authority) shall pass to Wetmore and to Kane (as the incorporating local governments of the Seller).

Following the termination of the existence of the Seller, Wetmore and Kane shall be jointly and severally liable to PAWC for all of the Seller's liabilities and obligations (including with respect to the System), in each case as if Wetmore and Kane were originally direct parties hereto. Provided that, Wetmore and Kane shall each have the right to seek contribution from the other if one of them pays more than its agreed-upon share of the Seller's liability and obligations to PAWC.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly executed this Agreement on the date first written.

BOROUGH OF KANE AUTHORITY

By: *Dave Peterson*
Name: *Dave Peterson*
Its: *Chairman*

PENNSYLVANIA-AMERICAN WATER COMPANY

By: *Andrew Clarkson*
Name: *Andrew Clarkson*
Its: *VP - Operations*

BOROUGH OF KANE

By: *Thomas C. Kase*
Name: *Thomas C. Kase*
Its: *Borough Council President*

WETMORE TOWNSHIP

By: *Stephen D. Byrne*
Name: *Stephen D. Byrne*
Its: *Board chairman*

List of Exhibits

Exhibit A – Escrow Agreement

Exhibit B – Assignment of Contracts Agreement

List of Schedules

Schedule 1.3 – List of Excluded Assets

Schedule 4.1(b) – Assets Subject to Leasehold Interest

Schedule 4.1(i) – Undisclosed Liabilities

Schedule 4.1(k) – List of Contracts

Schedule 4.1(k)(i) – Refund Arrangements

Schedule 4.1(l)(i) – Rights in Real Property and Leases

Schedule 4.1(l)(ii) – Easements and Rights of Way

Schedule 4.1(l)(iii) – Options and Rights of First Refusal

Schedule 4.1(l)(v) – Taxes and Assessments

Schedule 4.1(l)(vi) – Necessary Repairs to Real Property

Schedule 4.1(m) – Litigation

Schedule 4.1(p) – Violations of Law

Schedule 4.1(q) – Governmental Approvals

Schedule 4.1(r)(iv) – Environmental Conditions

Schedule 4.1(u) – Extension Deposit Agreements

Schedule 5.1(c) – Assigned Contracts

Schedule 6.7 – Seller's Rates

Schedule 6.8 – List of Employees

Schedule 8.1(g) – Opinion of Seller's Counsel

Schedule 8.1(i) – Certification of Financial Information

ASSET PURCHASE AGREEMENT
BETWEEN
BOROUGH OF KANE AUTHORITY
AND
PENNSYLVANIA-AMERICAN WATER COMPANY

EXHIBITS AND SCHEDULES

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.

Exhibit A

Form of Escrow Agreement

ESCROW AGREEMENT

This Escrow Agreement (this "Escrow Agreement"), dated as of the effective date (the "Effective Date") set forth on Schedule 1 attached hereto ("Schedule 1") is entered into by and among Pennsylvania-American Water Company (together with any successors and permitted assigns, the "Buyer"), the Borough of Kane Authority (together with any successors and permitted assigns, the "Seller") and _____ Bank, as escrow agent hereunder (together with any successors and permitted assigns, the "Escrow Agent").

WHEREAS, reference is hereby made to that certain Asset Purchase Agreement, dated as of _____, 2019, by and between the Buyer and the Seller (the "Purchase Agreement");

WHEREAS, pursuant to the Purchase Agreement and in connection with the Closing (as defined in the Purchase Agreement), the Buyer and the Seller have agreed to establish an escrow arrangement for the purposes agreed to by the parties in connection with the Closing;

WHEREAS, at the Closing (as defined in the Purchase Agreement) and simultaneous with the execution and delivery of this Escrow Agreement, the Buyer is delivering to the Escrow Agent the Escrow Deposit (as defined in Section 2 hereof), by wire transfer of immediately available funds to a segregated account designated by the Escrow Agent (the "Escrow Account") to be held by the Escrow Agent as security for the indemnification obligations of the Seller with respect to Missing Easements (as defined in the Purchase Agreement); and

WHEREAS, the Escrow Agent agrees to hold and distribute the Escrow Fund subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Appointment. The Buyer and the Seller hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

2. Escrow Funds. Simultaneous with the execution and delivery of this Escrow Agreement, the Buyer is depositing with the Escrow Agent the sum indicated as the "Escrow Deposit" on Schedule 1 (the "Escrow Deposit"). The Escrow Agent shall hold the Escrow Deposit in the Escrow Account, and, subject to the terms and conditions hereof, shall invest and reinvest the Escrow Deposit and the proceeds thereof (the aggregate amount of funds in the Escrow Account from time to time, the "Escrow Fund") as directed in Section 3 hereof.

3. Investment of Escrow Fund. During the term of this Escrow Agreement, the Escrow Fund shall be invested and reinvested by the Escrow Agent in the investment indicated

on Schedule 1 or such other investments as shall be directed in writing by the Buyer and the Seller and as shall be acceptable to the Escrow Agent. All investment orders involving U.S. Treasury obligations, commercial paper and other direct investments may be executed through broker-dealers selected by the Escrow Agent. Periodic statements will be provided to the Buyer and the Seller reflecting transactions executed on behalf of the Escrow Fund, which statements shall be provided no less frequently than on a monthly basis and, except as provided below, shall be provided in hard copy via regular mail. The Buyer and the Seller, upon written request, will receive a statement of transaction details upon completion of any securities transaction in the Escrow Fund without any additional cost. Should any party hereto opt to receive monthly statements electronically through the Escrow Agent's online service, such party hereby agrees that it shall have no further right under this Escrow Agreement to receive hard copy statements via regular mail. The Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Escrow Agreement. The Escrow Agent shall have no liability for any loss sustained as a result of any investment in an investment indicated on Schedule 1 or any investment made pursuant to the instructions of the parties hereto or as a result of any liquidation of any investment prior to its maturity or for the failure of the parties to give the Escrow Agent instructions to invest or reinvest the Escrow Fund. The Escrow Agent may earn compensation in the form of short-term interest ("float") on items like uncashed distribution checks (from the date issued until the date cashed), funds that the Escrow Agent is directed not to invest, deposits awaiting investment direction or received too late to be invested overnight in previously directed investments.

4. Disposition and Termination.

(a) The Buyer and the Seller may at any time deliver to the Escrow Agent a joint written notice executed by each of the Buyer and the Seller as evidenced by the signatures of one of the persons listed on Schedule 2 as the authorized representative of each of the Buyer and the Seller, as applicable, instructing the Escrow Agent to distribute all or a portion of the Escrow Fund (a "Joint Release Instruction"). Within three (3) Business Days (as defined in Section 10) after the date on which the Escrow Agent receives a properly executed Joint Release Instruction, the Escrow Agent shall disburse the portion of the Escrow Fund as set forth in the Joint Release Instruction, to the accounts of such persons designated on such Joint Release Instruction.

(b) If, prior to the Escrow Release Date, the Buyer makes one or more claims against the Seller for indemnification pursuant to Article VIII of the Purchase Agreement regarding Missing Easements (each, an "Indemnification Claim") and the Buyer elects to exercise its rights with respect to such Indemnification Claim pursuant to this Escrow Agreement, the Buyer shall deliver simultaneously to the Escrow Agent and the Seller written notice of such Indemnification Claim (an "Indemnification Claim Notice"), which Indemnification Claim Notice shall be delivered using one of the means of delivery set forth in Section 10 of this Escrow Agreement and shall set forth in reasonable detail (x) the nature of the Indemnification Claim, and (y) the amount of the Indemnification Claim (the "Indemnification Claim Amount"). The Escrow Agent shall provide notice of its receipt of an Indemnification Claim Notice from the Buyer to the Seller within five (5) days of its receipt thereof.

(c) If the Seller elects to contest an Indemnification Claim, the Seller shall give the Buyer and the Escrow Agent written notice of such election setting forth in reasonable detail the nature and basis for such contest (including the relevant portion or portions of the Indemnification Claim Notice being contested) and the portion of the Indemnification Claim Amount being contested (the “Contest Notice”), which Contest Notice shall be delivered using one of the means of delivery set forth in Section 10 of this Escrow Agreement, on or before the thirtieth (30th) day after delivery by the Buyer of an Indemnification Claim Notice to the Seller and the Escrow Agent (the “Contest Response Period”). The Escrow Agent shall conclusively deem that any Indemnification Claim Notice it receives was simultaneously delivered to the Seller and any Contest Notice it receives was simultaneously delivered to the Buyer.

(d) If the Buyer makes an Indemnification Claim, the Escrow Agent shall disburse the Indemnity Escrow Fund as to such Indemnification Claim as follows:

(i) if the Escrow Agent has not received a Contest Notice with respect to an Indemnification Claim within the Contest Response Period in accordance with Section 4(c) of this Escrow Agreement, within three (3) Business Days following the expiration of the Contest Response Period, the Escrow Agent shall disburse from the Indemnity Escrow Account to an account designated in writing by the Buyer an amount equal to the lesser of (A) the Indemnification Claim Amount or (B) the Indemnity Escrow Fund; and

(ii) if the Escrow Agent has received a Contest Notice with respect to an Indemnification Claim within the Contest Response Period in accordance with Section 4(c) of this Escrow Agreement, the Escrow Agent shall not disburse from the Indemnity Escrow Account to the Buyer the Indemnification Claim Amount with respect to such Indemnification Claim except: (A) in accordance with a Joint Release Instruction; or (B) in accordance with a final, non-appealable order of a court of competent jurisdiction (a “Court Order”), together with a certificate of the presenting party to the effect that such judgment is final and from a court of competent jurisdiction, upon which certificate the Escrow Agent shall be entitled to conclusively rely without further investigation. The Escrow Agent shall take the action specified in a Joint Release Instruction or a Court Order prior to the third (3rd) Business Day from the date on which the Escrow Agent received such Joint Release Instruction or Court Order.

(e) On the date that is the one (1) year anniversary of the Effective Date, or, if such date is not a Business Day, on the next succeeding Business Day (the “Escrow Release Date”), the Escrow Agent shall disburse from the Escrow Account to an account designated in writing by the Seller an amount equal to the balance of the Escrow Fund (including, all interest accrued thereon) not previously disbursed pursuant to this Escrow Agreement less (B) the aggregate amount of Indemnification Claim Amounts with respect to the Indemnification Claim Notices that remain outstanding and unresolved as of the Escrow Release Date. Any amount retained in the Escrow Account after the Escrow Release Date shall be disbursed (y) pursuant to Section 4(d)(ii) hereof (with respect to disbursements of amounts in respect of the Indemnification Claim Notices that remain outstanding and unresolved as of the Escrow Release Date) or (z) otherwise in accordance with a Joint Release Instruction.

(f) Upon payment in full of the entire Escrow Fund by the Escrow Agent in accordance with the terms of this Escrow Agreement, this Escrow Agreement shall terminate, subject to the provisions of Section 7.

5. Escrow Agent. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no duties shall be implied. The Escrow Agent shall have no liability under and no duty to inquire as to the provisions of any agreement other than this Escrow Agreement. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Escrow Fund. The Escrow Agent shall not be liable for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to the Buyer or the Seller. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through agents or attorneys (and shall be liable only for the careful selection of any such agent or attorney) and may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons. In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Escrow Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be directed otherwise in writing by all of the other parties hereto or by a final order or judgment of a court of competent jurisdiction. Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent further acknowledges and agrees that the Escrow Fund shall be held for the exclusive account and benefit of Buyer and the Seller pursuant to the applicable provisions of the Purchase Agreement and that Escrow Agent shall not be entitled to assert any lien on, right of setoff or other claim against, or security interest in the Escrow Fund for any obligations due and owing to Escrow Agent by a party as a result of such party's deposit, credit or other independent relationship with Escrow Agent pursuant to separate agreements with such parties, provided, that, the foregoing shall not limit Escrow Agent's rights under Sections 6, 7 and 8 hereof. The Escrow Agent shall never be required to use or advance its own funds in its performance of its duties or the exercise of any of its rights and powers hereunder.

6. Succession. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days' advance notice in writing of such resignation to the other parties hereto specifying a date when such resignation shall take effect. In the event of such resignation, the Seller and the Buyer agree that they will jointly appoint a banking corporation, trust company, or other appropriate financial institution as successor escrow agent within thirty (30) days of notice of such resignation. The Escrow Agent shall refrain from taking any action until it shall receive joint written instructions from the Seller and the Buyer

designating the successor escrow agent. The Escrow Agent shall deliver all of the then remaining balance of the Escrow Fund to such successor escrow agent in accordance with such instructions and, upon receipt of the Escrow Fund and the execution by such successor escrow agent of a joinder to this Agreement, the successor escrow agent shall be bound by all of the provisions of this Agreement. The Escrow Agent shall have the right to withhold an amount equal to any amount due and owing to the Escrow Agent, plus any costs and expenses the Escrow Agent shall reasonably believe may be incurred by the Escrow Agent in connection with the termination of this Escrow Agreement. Any corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated shall be the Escrow Agent under this Escrow Agreement without further act.

7. Fees. The Buyer and the Seller agree jointly and severally to pay the Escrow Agent upon execution of this Escrow Agreement and from time to time thereafter reasonable compensation for the services to be rendered hereunder, which unless otherwise agreed in writing shall be as described in Schedule 1 attached hereto. The Buyer and the Seller shall each pay and be responsible for payment of fifty percent (50%) of the fees payable to the Escrow Agent pursuant to this Escrow Agreement from time to time as set forth on Schedule 1 attached hereto.

8. Indemnity. The Buyer and the Seller shall jointly and severally indemnify, defend and save harmless the Escrow Agent and its directors, officers, agents and employees (the "indemnitees") from all loss, liability or expense (including the fees and expenses of in house or outside counsel) arising out of or in connection with (i) the Escrow Agent's execution and performance of this Escrow Agreement, except in the case of any indemnitee to the extent that such loss, liability or expense is due to the gross negligence or willful misconduct of the Escrow Agent, or (ii) its following any instructions or other directions from the Buyer or the Seller, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof. The parties hereto acknowledge that the foregoing indemnities shall survive the resignation or removal of the Escrow Agent or the termination of this Escrow Agreement. Subject to the last sentence of Section 5, the parties hereby grant the Escrow Agent a lien on, right of set-off against and security interest in the Escrow Fund for the payment of any claim for indemnification, compensation, expenses and amounts due hereunder. Notwithstanding anything to the contrary set forth herein, in no event shall the Escrow Agent charge against or withdraw from the Escrow Fund any amounts due and owing to Escrow Agent by the Buyer or the Seller under Section 7 hereof, the payment of which shall be the sole responsibility of the Buyer or the Seller as the case may be, as set forth therein, and subject to the terms thereof.

9. TINs. The Buyer and the Seller each represent that its correct Taxpayer Identification Number ("TIN") assigned by the Internal Revenue Service or any other taxing authority is set forth in Schedule 1. All interest or other income earned under this Escrow Agreement shall be allocated to the Seller and reported, to the extent required by law, by the Escrow Agent to the IRS or any other taxing authority, as applicable, on IRS form 1099-INT, 1099-DIV or 1042S (or other appropriate form) as income earned from the Escrow Fund by the Seller whether or not said income has been distributed during the year. Unless otherwise indicated in writing by the parties hereto, no taxes or other withholdings are required to be made under applicable law or otherwise with respect to any payment to be made by the Escrow Agent. All documentation necessary to support a claim of exemption or reduction in such taxes or other

withholdings has been timely collected by the Seller and copies will be provided to the Escrow Agent promptly upon a request therefor. Unless otherwise agreed to in writing by the Escrow Agent, all tax returns required to be filed with the IRS and any other taxing authority as required by law with respect to payments made hereunder shall be timely filed and prepared by the Seller including but not limited to any applicable reporting or withholding pursuant to the Foreign Account Tax Reporting Act (“FATCA”). The parties hereto acknowledge and agree that the Escrow Agent shall have no responsibility for the preparation and/or filing of any tax return or any applicable FATCA reporting with respect to the Escrow Fund. The Escrow Agent shall withhold any taxes it deems appropriate, including but not limited to required withholding in the absence of proper tax documentation, and shall remit such taxes to the appropriate authorities as it determines may be required by any law or regulation in effect at the time of the distribution.

10. Notices. All communications hereunder shall be in writing and shall be deemed to be duly given and received: (i) upon delivery if delivered personally, or upon confirmed transmittal if by facsimile; (ii) on the next Business Day (as hereinafter defined) if sent by overnight courier; or (iii) four (4) Business Days after mailing if mailed by prepaid registered mail, return receipt requested, to the appropriate notice address set forth on Schedule 1 or at such other address as any party hereto may have furnished to the other parties in writing by registered mail, return receipt requested.

Notwithstanding the above, in the case of communications delivered to the Escrow Agent pursuant to the foregoing clauses (ii) and (iii) of this Section 10, such communications shall be deemed to have been given on the date received by the Escrow Agent. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate. “Business Day” shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth on Schedule 1 is authorized or required by law or executive order to remain closed.

11. Security Procedures. In the event funds transfer instructions are given (other than in writing at the time of execution of this Escrow Agreement), whether in writing, by telecopier or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the person or persons designated Schedule 2, and the Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in a writing actually received and acknowledged by the Escrow Agent. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Buyer or the Seller to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The parties to this Escrow Agreement acknowledge that these security procedures are commercially reasonable.

12. Miscellaneous. The provisions of this Escrow Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by all of the parties hereto. Neither this Escrow Agreement nor any right or interest hereunder may be assigned in

whole or in part by any party, except as provided in Section 6 hereof, without the prior consent of the other parties. This Escrow Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania. Each party hereto irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the Commonwealth of Pennsylvania. The parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Escrow Agreement. No party to this Escrow Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Escrow Agreement because of, acts of God, fire, floods, strikes, equipment or transmission failure, or other causes reasonably beyond its control. This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13. Patriot Act Compliance. In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering and the Customer Identification Program (“CIP”) requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which the Escrow Agent must obtain, verify and record information that allows the Escrow Agent to identify customers (“Applicable Law”), the Escrow Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Escrow Agent. Accordingly, each of the parties hereto agrees to provide to the Escrow Agent upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Escrow Agent to comply with Applicable Law, including, but not limited to, information as to name, physical address, tax identification number and other information that will help the Escrow Agent to identify and verify such party such as organizational documents, certificates of good standing (where applicable), licenses to do business or other pertinent identifying information. Each party understands and agrees that the Escrow Agent cannot open the Escrow Account unless and until the Escrow Agent verifies the identities of the parties in accordance with its CIP.

14. Dissolution by Seller. If the Seller is dissolved and its legal existence terminated following the Effective Date, prior to such dissolution, the Seller shall deliver or cause to be delivered a written notice (signed by of one of the persons listed on Schedule 2 as the authorized representative of the Seller) to each of the Buyer and the Escrow Agent, which notice shall identify (i) the entity or such other person that has been designated as the Seller Successor pursuant to Section 11.16 of the Purchase Agreement, and (ii) an updated Schedule 2 to this Agreement identifying the new persons (and their respective telephone numbers) as the authorized representative of the Seller Successor, and following receipt of such written notice by the Buyer and the Escrow Agent, the Seller Successor shall be deemed “the Seller” for all purposes under this Agreement. Any such Seller Successor hereby agrees to deliver any such additional information as reasonably requested by Escrow Agent.

[Remainder of Page Intentionally Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the Effective Date.

ESCROW AGENT:

BANK

By: _____
Name:
Title:

BUYER:

PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____
Name: F. Michael Doran
Title: President

SELLER:

THE BOROUGH OF KANE AUTHORITY

By: _____
Name:
Title:

Exhibit B

Form of Assignment of Contracts Agreement

ASSIGNMENT OF CONTRACTS AGREEMENT

THIS ASSIGNMENT OF CONTRACTS AGREEMENT, made and entered into the ____ day of _____, 2019, by and between The Borough of Kane Authority, a duly organized municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania, together with The Borough of Kane, a duly organized public body corporate organized and existing under the laws of the Commonwealth of Pennsylvania and Wetmore Township, a duly organized public body corporate organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to collectively as "Seller"), and **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation (hereinafter referred to as "PAWC").

WHEREAS, PAWC and Seller are parties to that Asset Purchase Agreement dated as of _____, 2019, whereby PAWC agreed to purchase from Seller the wastewater system owned, maintained and operated by Seller (the "Acquisition Agreement").

WHEREAS, pursuant to the Acquisition Agreement, Seller agreed to sell, assign and transfer to PAWC the contractual rights of Seller related to the contracts, agreements and arrangements identified on Exhibit A attached hereto and made a part hereof (the "Assigned Contracts").

WHEREAS, pursuant to the Acquisition Agreement, Seller is to assign and transfer to PAWC all of Seller's rights, title and interest in and to the Assigned Contracts, and PAWC is to assume Seller's duties and obligations arising after the date hereof under the Assigned Contracts.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Seller hereby assigns and transfers to PAWC all of its rights, title and interest in and to the Assigned Contracts, free and clear of all liens and encumbrances of every kind. In furtherance of the assignment contemplated by this Section 1, Seller warrants that, as of the date hereof, Seller has obtained the consent of the other contracting party (or other contracting parties) to each Assigned Contract, if prior consent is required to assign such Assigned Contract or if such Assigned Contract is, by its terms, not assignable.
2. PAWC hereby assumes all liabilities expressly contained in the Assigned Contracts that are to become due after the date hereof (excluding liabilities for non-performance, breach, default or other circumstances that occurred on or prior to the date hereof).
3. Seller assigns no liabilities of any kind or nature whatsoever to PAWC, and PAWC assumes no such liabilities, hereunder, except for those contained in the express terms of the Assigned Contracts (excluding liabilities for non-performance, breach, default or other circumstances that occurred on or prior to the date hereof).

4. This Assignment and Assumption Agreement shall be binding upon the parties and their respective heirs, successors and assigns.

5. Seller hereby covenants and agrees that it will, upon the request of PAWC, perform, execute and deliver (and cause to be performed, executed and delivered), such and all other instruments, documents, acts, transfers, assignments and assurances as PAWC may reasonably require in order to better assure, confirm and accomplish the purposes and benefits of this Assignment of Contracts Agreement.

6. This instrument shall be construed and governed in accordance with the internal laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

7. This instrument may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, this Assignment of Contracts Agreement has been executed as of the date and year first above written.

SELLER:

BOROUGH OF KANE AUTHORITY

By: _____
Name:
Its:

BOROUGH OF KANE

By: _____
Name:
Its:

WETMORE TOWNSHIP

By: _____
Name:
Its:

BUYER:

**PENNSYLVANIA-AMERICAN WATER
COMPANY**

By: _____
Name:
Its:

Schedule 1

Effective Date: December

Seller: The Borough of Kane Authority
Seller Notice Address: The Borough of Kane Authority
112 Bayard Street
Kane, Pennsylvania 16735
Attention: Chairman
Fax: _____

With a copy to:

Buyer: Pennsylvania-American Water Company
Buyer Notice Address: Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

Attention: General Counsel

Facsimile: 717-531-3399

With a copy to:

American Water Works Company, Inc.
1025 Laurel Oak Road
Voorhees, NJ 08043
Attention: Senior Vice President, Strategy and
Business Development

Buyer TIN: 25-1008096

Escrow Agent: _____ Bank
Escrow Agent Notice Address:

Escrow Agent Fees: [Waived]

Schedule 2

Telephone Number(s) for Call-Backs and

Person(s) Designated to Confirm Funds Transfer Instructions

If to the Buyer:

	Name	Telephone Number
1.	James Merante	(856) 310-5845
2.	Kent A. Lindsay	(717) 531-3225
3.	Andrew L. Swope	(717) 531-3210

If to the Seller:

	Name	Telephone Number
1.	_____	_____
2.	_____	_____
3.	_____	_____

Telephone call-backs may be made to both the Buyer and the Seller if joint instructions are required pursuant to this Escrow Agreement.

Schedule 1.3

Excluded Assets

- 1. Management Agreement with Borough of Kane dated September 21, 1994**
- 2. Re-conditioned grinder pumps for individual homeowners in inventory**
- 3. #1017 Galati on Lot 537 -Installation of 9 grinder pumps**
- 4. #1018 Grinder pumps (Tromboid)- Contract 93-8 Grinder Pumps**
- 5. #1019 Grinder Pumps – 5**
- 6. #1020 Grinder Pumps – 2**
- 7. #1021 Beckwith Loader**

Schedule 4.1(b)

Assets Subject to Leasehold Interest

None

Schedule 4.1(i)

Undisclosed Liabilities

- 1. Claim by U.S. Department of Agriculture for reimbursement under a grant agreement of September 21, 1994.**
- 2. Guaranteed Sewer Revenue Note Series of 2013 to Fulton Bank in the amount of \$6,000,000**
- 3. Amounts due for services to Woods Baker & Ross, Eckert Seamans, KLH Engineers, and other service providers for services provided up to and through the date of closing and amounts due for necessary equipment purchases up to the date of closing**

Schedule 4.1(k)

List of Contracts

- 1. Mountain Research, LLC contract dated March 15, 2010 – Sampling and Lab Analysis**
- 2. KLH Engineering contract dated August 11, 1992 – Engineering Services**
- 3. Cummins Bridgeway, LLC contract dated August 2, 2016 – Generator Maintenance**
- 4. Casella Waste Systems, Inc. contract dated August 31, 2016– Trash Removal**
- 5. M.C. Alarms contract dated April 11, 1996 – Security Alarms for Treatment Plants**
- 6. Unicom Protection Inc. contract dated February 1, 2011 #9928 – Pump Station Alarms**
- 7. Unicom Protection Inc. contract dated February 1, 2011 #9927 – Pump Station Alarms**
- 8. Unicom Protection Inc. contract dated January 24, 2011 #9914 – Pump Station Alarms**
- 9. Unicom Protection Inc. contract dated January 24, 2011 #9926 – Pump Station Alarms**
- 10. Unicom Protection Inc. contract dated January 25, 2011 #9913 – Pump Station Alarms**
- 11. Unicom Protection Inc. contract dated January 27, 2011 #9912 – Pump Station Alarms**
- 12. Inter-municipal Agreement between Borough of Kane Authority, Borough of Kane and Township of Wetmore dated July 8, 1992**
- 13. Management Agreement with Borough of Kane dated September 21, 1994**
- 14. USDA Grant Agreement dated September 21, 1994**
- 15. Pennsylvania Department of Environmental Protection Consent Order and Agreement dated January 17, 2001**
- 16. Pennsylvania Municipal Service Company Agreement dated September 14, 2015 – Sewer Billing and Collections**
- 17. Borough of Kane Agreement of Lease dated March 1, 1967**
- 18. WGL Energy Services, Inc. Agreement dated April 12, 2019**

Schedule 4.1(k)(i)

Refund Arrangements

None

Schedule 4.1(I)(i)

Rights in Real Property and Leases

Date	Municipality	Instrument #
April 9, 1999	Kane Borough	199902018
March 11, 1994	Wetmore Township	199401205
January 4, 1994	Wetmore Township	199400012
December 21, 1993	Wetmore Township	199308392
November 14, 1969	Wetmore Township	196901707
October 30, 1967	Wetmore Township	196701849
April 25, 1967	Wetmore Township	196700535
March 14, 1967	Wetmore Township	196700337
March 14, 1967	Wetmore Township	196700336
February 7, 1967	Wetmore Township	196700143
January 9, 1967	Wetmore Township	196700027

Schedule 4.1(l)(ii)Easements and Rights of Way

Date	Municipality	Instrument #
December 29, 2011	Wetmore Township	201105807
April 28, 2004	Wetmore Township	200402318
April 28, 2004	Wetmore Township	200402317
August 7, 2003	Wetmore Township	200305550
September 25, 2002	Wetmore Township	200206191
March 21, 2000	Wetmore Township	200001519
March 21, 2000	Wetmore Township	200001518
May 8, 1996	Wetmore Township	199602411
April 9, 1996	Wetmore Township	199601683
January 22, 1996	Kane Borough	199600331
January 22, 1996	Kane Borough	199600330
January 22, 1996	Wetmore Township	199600329
January 22, 1996	Kane Borough	199600328
January 22, 1996	Kane Borough	199600327
December 7, 1995	Wetmore Township	199506180
December 7, 1995	Wetmore Township	199506179
October 24, 1995	Wetmore Township	199505336
May 8, 1995	Wetmore Township	199501871
May 8, 1995	Wetmore Township	199501870
February 17, 1995	Wetmore Township	199500759
January 25, 1995	Wetmore Township	199500353
January 4, 1995	Kane Borough	199500035
April 8, 1994	Kane Borough	199401679
February 2, 1994	Wetmore Township	199400477
January 18, 1994	Wetmore Township	199400250
January 18, 1994	Wetmore Township	199400249
January 18, 1994	Wetmore Township	199400248
December 29, 1993	Wetmore Township	199308527
December 29, 1993	Wetmore Township	199308526
December 29, 1993	Wetmore Township	199308525
December 29, 1993	Wetmore Township	199308524
December 7, 1993	Wetmore Township	199308099
December 7, 1993	Wetmore Township	199308098
December 1, 1993	Wetmore Township	199307985
December 1, 1993	Wetmore Township	199307984
December 1, 1993	Wetmore Township	199307983
December 1, 1993	Wetmore Township	199307982

November 17, 1993	Wetmore Township	199307649
November 17, 1993	Wetmore Township	199307648
November 17, 1993	Wetmore Township	199307647
November 17, 1993	Wetmore Township	199307646
November 17, 1993	Wetmore Township	199307645
November 17, 1993	Wetmore Township	199307644
November 17, 1993	Wetmore Township	199307643
November 17, 1993	Kane Borough	199307642
November 10, 1993	Wetmore Township	199307543
November 10, 1993	Wetmore Township	199307542
November 10, 1993	Wetmore Township	199307541
November 10, 1993	Kane Borough	199307540
November 10, 1993	Wetmore Township	199307539
November 10, 1993	Wetmore Township	199307538
November 10, 1993	Kane Borough	199307537
November 10, 1993	Wetmore Township	199307536
November 9, 1993	Wetmore Township	199307504
November 9, 1993	Kane Borough	199307503
November 9, 1993	Kane Borough	199307502
November 9, 1993	Wetmore Township	199307501
November 9, 1993	Wetmore Township	199307500
November 9, 1993	Wetmore Township	199307499
November 9, 1993	Wetmore Township	199307498
November 9, 1993	Wetmore Township	199307497
November 9, 1993	Wetmore Township	199307496
November 9, 1993	Wetmore Township	199307495
November 9, 1993	Wetmore Township	199307494
November 9, 1993	Wetmore Township	199307493
November 9, 1993	Wetmore Township	199307492
November 9, 1993	Wetmore Township	199307491
November 9, 1993	Wetmore Township	199307490
November 9, 1993	Wetmore Township	199307489
November 9, 1993	Wetmore Township	199307488
November 9, 1993	Wetmore Township	199307487
November 9, 1993	Wetmore Township	199307486
November 9, 1993	Wetmore Township	199307485
November 9, 1993	Wetmore Township	199307484
November 9, 1993	Wetmore Township	199307483
November 9, 1993	Wetmore Township	199307482
November 9, 1993	Wetmore Township	199307481
November 9, 1993	Wetmore Township	199307480
November 9, 1993	Wetmore Township	199307479
November 9, 1993	Wetmore Township	199307478

November 9, 1993	Wetmore Township	199307434
November 9, 1993	Wetmore Township	199307433
November 9, 1993	Wetmore Township	199307432
November 9, 1993	Wetmore Township	199307431
November 9, 1993	Wetmore Township	199307430
November 9, 1993	Wetmore Township	199307429
November 9, 1993	Wetmore Township	199307428
November 9, 1993	Wetmore Township	199307427
November 5, 1993	Wetmore Township	199307362
November 5, 1993	Wetmore Township	199307361
November 5, 1993	Wetmore Township	199307360
November 5, 1993	Wetmore Township	199307359
November 5, 1993	Wetmore Township	199307358
November 5, 1993	Wetmore Township	199307357
November 5, 1993	Wetmore Township	199307356
November 5, 1993	Wetmore Township	199307355
November 5, 1993	Wetmore Township	199307354
November 5, 1993	Wetmore Township	199307353
November 5, 1993	Wetmore Township	199307352
November 5, 1993	Wetmore Township	199307351
November 5, 1993	Wetmore Township	199307350
November 5, 1993	Wetmore Township	199307349
November 5, 1993	Wetmore Township	199307348
November 5, 1993	Wetmore Township	199307347
November 5, 1993	Wetmore Township	199307346
November 5, 1993	Wetmore Township	199307345
November 5, 1993	Wetmore Township	199307344
November 5, 1993	Wetmore Township	199307343
November 5, 1993	Wetmore Township	199307342
November 5, 1993	Wetmore Township	199307341
November 5, 1993	Wetmore Township	199307340
November 5, 1993	Wetmore Township	199307339
November 5, 1993	Wetmore Township	199307338
November 5, 1993	Wetmore Township	199307337
November 5, 1993	Wetmore Township	199307336
November 4, 1993	Wetmore Township	199307310
November 4, 1993	Wetmore Township	199307309
November 4, 1993	Wetmore Township	199307308
November 4, 1993	Wetmore Township	199307307
November 4, 1993	Wetmore Township	199307306
November 4, 1993	Wetmore Township	199307305
November 4, 1993	Wetmore Township	199307304
November 4, 1993	Wetmore Township	199307303

November 4, 1993	Wetmore Township	199307302
November 4, 1993	Wetmore Township	199307301
November 4, 1993	Wetmore Township	199307300
November 4, 1993	Wetmore Township	199307299
November 4, 1993	Wetmore Township	199307298
November 4, 1993	Wetmore Township	199307297
November 4, 1993	Wetmore Township	199307296
November 4, 1993	Wetmore Township	199307295
November 4, 1993	Wetmore Township	199307294
November 4, 1993	Wetmore Township	199307293
November 4, 1993	Wetmore Township	199307292
November 4, 1993	Wetmore Township	199307291
November 4, 1993	Wetmore Township	199307290
November 4, 1993	Wetmore Township	199307289
November 4, 1993	Wetmore Township	199307288
November 4, 1993	Wetmore Township	199307287
November 4, 1993	Wetmore Township	199307286
November 4, 1993	Wetmore Township	199307285
November 4, 1993	Wetmore Township	199307284
November 4, 1993	Wetmore Township	199307283
November 4, 1993	Wetmore Township	199307282
November 4, 1993	Wetmore Township	199307281
November 4, 1993	Wetmore Township	199307280
November 4, 1993	Wetmore Township	199307279
November 4, 1993	Wetmore Township	199307278
November 4, 1993	Wetmore Township	199307277
November 4, 1993	Wetmore Township	199307276
November 4, 1993	Wetmore Township	199307275
November 4, 1993	Wetmore Township	199307274
November 4, 1993	Wetmore Township	199307273
November 4, 1993	Wetmore Township	199307272
November 4, 1993	Wetmore Township	199307271
November 4, 1993	Wetmore Township	199307270
November 4, 1993	Wetmore Township	199307269
November 4, 1993	Wetmore Township	199307268
November 4, 1993	Wetmore Township	199307267
November 4, 1993	Wetmore Township	199307266
November 4, 1993	Wetmore Township	199307265
November 4, 1993	Wetmore Township	199307264
November 4, 1993	Wetmore Township	199307263
November 4, 1993	Wetmore Township	199307262
November 9, 1992	Kane Borough	199206856
October 23, 1992	Kane Borough	199206416

June 12, 1987	Kane Borough	198702675
June 12, 1987	Kane Borough	198702674
September 15, 1993	Kane Borough	198303686
September 15, 1993	Kane Borough	198303685
September 15, 1993	Kane Borough	198303684
March 23, 1967	Wetmore Township	196700395
March 20, 1967	Wetmore Township	196700378
March 13, 1967	Wetmore Township	196700331
February 23, 1967	Wetmore Township	196700229
February 16, 1967	Wetmore Township	196700189
February 1, 1967	Wetmore Township	196700120
January 27, 1967	Wetmore Township	196700104
January 26, 1967	Wetmore Township	196700101
January 24, 1967	Wetmore Township	196700092
October 25, 1995	Wetmore Township	199505364

AGREEMENT

Date	Municipality	Instrument #
January 31, 2011	Kane Borough	201100455
April 28, 2004	Wetmore Township	200402316
March 16, 1967	Unknown	196700351
November 1, 1965	Wetmore Township	196501567

MISCELLANEOUS

Date	Municipality	Instrument #
July 26, 1996	Wetmore Township	199604260

CONDEMNATION

Date	Municipality	Instrument #
November 17, 1993	Wetmore Township	199307651

DECLARATION OF TAKING

Date	Municipality	Instrument #
October 7, 1983	Kane Borough	198304064

ASSIGNMENT

Date	Municipality	Instrument #
March 16, 1967	Wetmore Township	196700352

BILL OF SALE

Date	Municipality	Instrument #
March 16, 1967	Unknown	196700350

Schedule 4.1(I)(iii)

Options and Rights of First Refusal

None

Schedule 4.1(l)(v)

Taxes and Assessments

None

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Schedule 4.1(l)(vi)

Necessary Repairs to Real Property

None

Schedule 4.1(m)

Litigation

None

Schedule 4.1(p)

Violations of Law

None

Schedule 4.1(q)

Governmental Approvals

1. National Pollutant Discharge Elimination System ("NPDES") Permit PA0023175 for the Borough of Kane Authority's Kinzua Road Sewer Treatment Plant, expiring January 31, 2022
2. National Pollutant Discharge Elimination System ("NPDES") Permit PA0023167 for the Borough of Kane Authority's Pine Street Sewer Treatment Plant, expiring January 31, 2023
3. Pennsylvania Department of Environmental Protection; Consent Order and Agreement
4. United States Department of Agriculture; Grant Repayment
5. Modified Act 537 Plan for Kane Borough
6. Modified Act 537 Plan for Wetmore Township

Schedule 4.1(r)(iv)

Environmental Conditions

- 1. Possible asbestos in floor tile and pipe wrapping in admin buildings at Pine St. and Kinzua Rd. plants.**

Schedule 4.1(u)

Extension Deposit Agreements

None

Schedule 5.1(c)

Assigned Contracts

- 1. WGL Energy Services, Inc. Agreement dated April 12, 2019**

Schedule 6.7

Seller's Rates

As of the date of this Agreement, Seller's rates are as follows:

Sewage Service Rates Per Month

Charge for 5/8-inch Meters

0 - 2,000 gallons	\$41.11
2,100 - 10,000 gallons	\$0.660 per hundred gallons
10,100 - 30,000 gallons	\$0.733 per hundred gallons
All Over 30,100 gallons	\$0.800 per hundred gallons

Charge for Other Meter Sizes

0 - 2,000 gallons	\$82.22
2,100 - 10,000 gallons	\$0.660 per hundred gallons
10,100 - 30,000 gallons	\$0.733 per hundred gallons
All Over 30,100 gallons	\$0.800 per hundred gallons

Flat Rates

\$66.74 per month

Schedule 6.8

List of Employees

Philip Lingenfelter	Foreman	\$22.10/hour
Todd Meserole	Chemist/Operator	\$21.30/hour
Jason Giordano	Operator	\$20.20/hour
Jeremy Brinkley	Operator-in-Training	\$16.70/hour

Schedule 8.1(g)

Opinion of Seller's Counsel

[COUNSEL LETTERHEAD]

[DATE]

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

Ladies and Gentlemen:

I have acted as counsel for The Borough of Kane Authority, a duly organized municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania ("Seller"), in connection with the execution and delivery by Seller of the Asset Purchase Agreement dated _____, __, 2019 between Seller and Pennsylvania-American Water Company ("Buyer"), a Pennsylvania corporation (the "Purchase Agreement"). This opinion is delivered to you pursuant to Paragraph 8.1(g) of the Purchase Agreement. All capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Purchase Agreement unless otherwise noted.

In connection with the opinions expressed below, I have made such examination of law and have examined originals, or copies certified or otherwise identified to my satisfaction, of the Purchase Agreement and all other agreements and instruments related to the Purchase Agreement to which Seller is a party (the "Transaction Documents"), and such documents and records of the Seller, certificates of public officials and of officers of the Seller, and such other documents as I have deemed necessary or appropriate.

Based upon and subject to the foregoing, it is my opinion that as of the date hereof:

1. The Seller is a duly organized municipal authority of the Commonwealth of Pennsylvania, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and Seller has the full power and lawful authority to operate the System and the Assets as now operated and to transfer to Buyer the rights, title and interest in and to the Assets.

2. Seller has the full power and lawful authority to enter into the Purchase Agreement and the Transaction Documents and to consummate and perform the transactions contemplated by the Purchase Agreement and the Transaction Documents. Seller has duly and validly authorized the execution, delivery and performance of the Purchase Agreement and the Transaction Documents by all necessary proceedings, and the Purchase Agreement and each of the Transaction Documents constitute the valid and binding obligations of Seller enforceable against it in accordance with their respective terms. The Purchase Agreement and each of the Transaction

Documents have been duly and validly executed and delivered.

3. No filings or registrations with, notifications to, or authorizations, consents, orders or approvals of, a governmental authority or third party are required to be obtained or made by Seller in connection with the execution, delivery or performance by Seller of the Purchase Agreement or any of the Transaction Documents, or the consummation by Seller of the transactions contemplated thereby, except those which have been obtained on or prior to the date hereto. Neither the contemplated transactions, nor this Agreement or any of the Transaction Documents will result in the creation of any Encumbrance against any of the Assets.

4. The execution, delivery and performance of, and compliance with, the Purchase Agreement and the Transaction Documents do not violate any law, ordinance or regulation, do not conflict with, to my knowledge, any judgment, order or decree, and do not conflict with or result in a breach of or default under any contract, lease or Permit to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected. The execution and delivery of the Purchase Agreement and the Transaction Documents, and the consummation of the transactions contemplated thereby, do not violate, conflict with or result in the breach of, or constitute a default under, any term, condition or provision of Seller's articles of incorporation, bylaws or other governing documents, or any instrument, contract, lease, agreement, Permit, certificate or other document to which Seller is a party or is otherwise bound or affected, or by which the Assets may be bound or affected.

5. To my knowledge, Seller is not party to, or subject to the provision of, any material judgment, order, writ, injunction, notice or decree of any court or of any governmental official, agency or instrumentality relating to the System or the Assets.

6. Except as disclosed in the Purchase Agreement, there is no action, suit, claim or litigation, arbitration, proceeding, judgment, injunction, audit or legal, administrative or governmental investigation pending (including any citations, notices, summons or orders), and to my knowledge none are threatened against, pertaining to or affecting the System or any of the Assets (including any such actions, litigation and other claims against Seller) before any court, arbitrator or governmental authority (including any governmental agency board or instrumentality), nor is there any order, writ, injunction or decree of any court, arbitrator or governmental authority, in existence against, pertaining to or affecting the Seller (including its commissioners, directors or officers), the System or any of the Assets, or which would reasonably be expected to prevent or materially interfere with or delay the Seller's ability to perform its obligations under the Purchase Agreement or any of the Transaction Documents.

The qualification of any opinion or statement herein by the use of the words "to my knowledge" or "known to me" means that during the course of representation as described in this opinion letter, no information has come to the attention of the lawyers in this firm involved in the transactions described or the lawyers in our firm who have principal legal responsibility for our representation of Company, that would give such lawyers current actual knowledge of the existence of the facts so qualified. Except as set forth herein, we have not undertaken any investigation to determine the existence of such facts, and no inference as to our knowledge thereof shall be drawn from the fact of our representation of any party or otherwise.

This Opinion Letter (i) has been furnished to you at your request, and we consider it to be a

confidential communication that may not be furnished, reproduced, distributed, or disclosed to anyone without our prior written consent, (ii) is rendered solely for your information and assistance in connection with the above transaction, and may not be relied upon by any other person or for any other purpose without our prior written consent, [except that we understand that you are delivering a copy of this opinion to [identify lenders to Buyer] in connection with the financing of the transaction contemplated by the Agreement and agree that [those lenders] may rely on this opinion as if it were addressed to them], (iii) is rendered as of the date hereof, and we undertake no, and hereby disclaim any, obligation to advise you of any changes or any new developments that might affect any matters stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein.

Sincerely,

Schedule 8.1(i)

Certification of Financial Information

CERTIFICATE AS TO DEBT, CONTRIBUTIONS
AND ADDITIONS AND RETIREMENTS

The undersigned office of the [Name of Seller] ("XXXX"), with regard to the Asset Purchase Agreement dated _____ 2019 (the "Agreement") between XXXX, as Seller, and Pennsylvania-American Water Company ("PAWC"), as Buyer, for the sale of XXXX to PAWC of the public wastewater treatment, collection and disposal system now owned by XXXX (the "System"), hereby certifies that:

1. The amount of XXXX's net outstanding long-term debt or notes related to the System is \$_____.
2. The amount of all unexpired customers' advances for construction and unexpected contributions in aid of construction is \$_____.
3. The additions or retirements to the System during the period [date of Agreement] through the date of this Certificate, together with the cost thereof, are: \$_____.

All of the foregoing statements are true and correct as of the _ day of _____, 20__.

ATTEST:

[NAME OF SELLER]

(SEAL)

Agreement to Provide Valuation Consulting Services
Between

AUS Consultants

And

Pennsylvania America Water Company
For the Appraisal of

Kane, Pennsylvania's Wastewater Utility

As of the most recent period (3rd Quarter 2017)

Agreement for Valuation Consulting Services

This Agreement for Valuation Consulting Services (“Agreement”) is by and between AUS Consultants, a New Jersey corporation (“Supplier”) and Pennsylvania-American Water Company, a Pennsylvania corporation (“PA-American”) and is entered into as of November 9, 2017. In consideration of the covenants hereinafter contained, and intending to be legally bound, the Parties hereto agree to as follows:

Section 1. Description of Services:

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

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

Section 2. Duration:

Unless amended, the Project subject to this Agreement is anticipated to be approximately two years in duration and will be performed for the period beginning upon the issuance of a notice to proceed by PA-American and continuing through November 9, 2019. Supplier acknowledges and agrees that it shall not and shall have no obligation to provide the Services until such time as PA-American has issued a notice to proceed. To the extent Act 12 imposes any requirements with respect to the timing for the completion of the Services, the commencement date for such Services shall not be deemed to be any earlier than the date PA-American issues the notice to proceed.

Proprietary and Confidential

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

Section 3. Effective & Expiration Dates:

This Agreement shall be effective as of the date set forth in the first paragraph hereof (“Effective Date”) and shall continue until the earlier to completion on the Project or November 9, 2019 (“Expiration Date”) unless earlier terminated as set forth in this Agreement.

Section 4. Personnel to Perform the Services:

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

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

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

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

Section 5. Location:

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

Proprietary and Confidential

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

Section 6. Prices:

Supplier fees for the Services are as follows:

Appraisal Activity	Fees (not to exceed)	Expenses (not to exceed)
Appraisal		
Initial Appraisal	\$28,120	\$3,200
Appraisal updates	\$2,500	\$800
Pre-filed Direct testimony related to the above described Valuation studies	\$3,000	\$500

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

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

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

Section 7. Payment:

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

All payment terms are Net 60.

Proprietary and Confidential

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

Section 8. Non-Disclosure:

A. The Parties agree as follows:

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

Proprietary and Confidential

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

- c. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to PA-American with respect to such Information; or
 - d. is independently developed by an employee, contractor or agent of Supplier or a third party not associated with the Project and who did not have any direct or indirect access to the Information, as evidenced by the Supplier's written records; or
 - e. is approved for release by written authorization by PA-American; or,
 - f. it is required to disclose pursuant to a written request or demand of a duly empowered government agency or a court of competent jurisdiction, provided due notice and an adequate opportunity to intervene is given to PA-American, unless such notice is prohibited by such written request or demand, in which case, the Supplier shall disclose only such Information as is required and shall use reasonable efforts to obtain confidential treatment for any Information that is so disclosed.
4. Any Information relating to the Project that is disclosed by PA-American to Supplier shall remain confidential for five (5) years from the date of termination of the Agreement. Notwithstanding anything to the contrary herein, Customer Information shall remain confidential indefinitely and shall never be disclosed or used without the prior written approval of an authorized representative of PA-American. "Customer Information" includes, but is not limited to, customer name, address, phone number, information concerning a customer's calling patterns, unlisted customer numbers, any other information associated with a customer or with persons in the household of a customer, and any information available to PA-American and/or its suppliers by virtue of PA-American's relationship with its customers as a provider of telecommunications, Internet, information or other services, including, but not limited to, the quantity, technical configuration, location, type, destination, amount of use of telecommunications or other services subscribed to, and information contained on the telephone bills of PA-American's customers pertaining to telephone exchange service, telephone toll service or other services received by a customer of PA-American.
 5. Any disclosed Information by PA-American shall be deemed the property of PA-American, who shall retain exclusively rights to such Information. Nothing contained in this Agreement shall be construed as granting or conferring any patent, copyright, trademark or other proprietary rights by license or otherwise in any such Information to Supplier, except for the right to use such Information in accordance with this Agreement.
 6. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, PA-AMERICAN MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER WITH RESPECT TO ANY INFORMATION FURNISHED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES AGAINST INFRINGEMENT.
 7. In the event Supplier discloses, disseminates, or releases any confidential or proprietary Information received from PA-American, except as expressly permitted herein, such

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disclosure, dissemination, or release shall be deemed a material breach of this Agreement. In the event of such breach, PA-American may demand prompt return of all confidential and proprietary Information previously provided to Supplier and terminate this Agreement. The provisions of this Section are in addition to any other legal rights or remedies PA-American may have in law or in equity.

8. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, irrespective of its choice of law principles. Both Parties agree to comply with all laws, including, but not limited to, laws and regulations regarding the export of information outside the United States. Supplier shall not knowingly transmit, directly or indirectly, in whole or in part, any Information of PA-American or export, directly or indirectly, any product or Information in contravention of the laws of the United States or the laws of any other country governing the aforesaid activities. Supplier shall not transfer any Information received hereunder or any product made using such Information to any country prohibited from receiving such data or product by the U.S. Department of Commerce Export Administration Regulations without first obtaining a valid export license. In the event Supplier violates the foregoing, Supplier shall defend, indemnify, and hold harmless PA-American from and against any claim, loss, liability, expense or damage including fines or legal fees, incurred PA-American with respect to the export or re-export activities contrary to the foregoing. Notwithstanding any other provision of this Agreement, this Section shall survive any termination or expiration of this Agreement.

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

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

"Items" shall mean any or all inventions, discoveries, ideas, (whether patentable or not), and all works and materials, including but not limited to products, devices, computer programs, source codes, designs, files, specifications, texts, drawings, processes, data or other

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information or documentation in preliminary or final form, and all Intellectual Property rights in or to any of the foregoing.

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

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

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

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

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

Section 10. Right to Terminate:

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

Section 11. Invoices/Billing Information:

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

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

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

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

The point of contact for PA-American shall be:

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

The Legal Counsel contact for PA-American shall be:

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

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Section 13. Signatures:

AUS Consultants (Supplier)

Pennsylvania American Water Company

Jerome C. Weinert

Jerome C. Weinert
November 9, 2017

Bernard J. Grundusky
November 9, 2017

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