

RESOLUTION NO. 2019-14

BOROUGH OF ROYERSFORD
MONTGOMERY COUNTY, PENNSYLVANIA

A RESOLUTION OF ROYERSFORD BOROUGH COUNCIL AUTHORIZING THE EXECUTION BY THE BOROUGH OF ROYERSFORD (THE "BOROUGH") OF AN ASSET PURCHASE AGREEMENT (THE "PURCHASE AGREEMENT") BETWEEN THE BOROUGH AND PURCHASER PENNSYLVANIA AMERICAN WATER COMPANY ("PA-AMERICAN"); AUTHORIZING THE ASSIGNMENT OF THE BOROUGH'S RIGHTS AND OBLIGATIONS IN ALL RELEVANT AGREEMENTS TO PA-AMERICAN; AUTHORIZING AND APPROVING ALL INFORMATION AND COOPERATION WITH PA-AMERICAN; AUTHORIZING ALL ACTIONS RELATING TO THE EXECUTION OF THE PURCHASE AGREEMENT AND THE ASSIGNMENT OF ALL RELEVANT AGREEMENTS; AUTHORIZING INCIDENTAL ACTION TO BE TAKEN BY SPECIFIED OFFICERS OF THE BOROUGH.

WHEREAS, the Borough currently owns and operates a sanitary wastewater collection system (the "System") that provides sanitary wastewater service to various customers in the Borough and to some surrounding municipalities pursuant to service agreements and transports and pumps its sewage to the treatment plant that is owned and operated by the Borough; and

WHEREAS, the Borough previously decided to pursue the sale of all of the assets, properties and rights of the Borough (whether tangible, real, personal or mixed), which are exclusively held and used by it in connection with the System, including but not limited to information received by the Borough as to consumption by customers within the service area of the System to facilitate accurate billing, as set forth in the Purchase Agreement (the "System Assets") through a competitive bidding process (the "Assets Sale"); and

WHEREAS, the Borough issued a Request for Qualifications (the "RFQ") and a Request for Bids (the "RFB") to solicit bids from interested and qualified companies and entities to purchase the System; and

Appendix J

WHEREAS, the Borough received two (2) responses to the RFQ; and after the opportunity for due diligence, the Borough received bids in response to the RFB from two (2) interested entities ("Potential Bidders") that were found to be qualified; and

WHEREAS, the Borough has reviewed the bids submitted by the Potential Bidders, and has determined that PA-American has submitted a bid that is in the best interest of the Borough, and offers the greatest value to the Borough, as determined by Borough Council of the Borough of Royersford ("Council") based on the advice of the Borough Financial Advisor and the Special Counsel; and

WHEREAS, to the extent the Borough has determined that the Assets Sale is in the best interests of the Borough, such determination to be evidenced through the execution and delivery by the Borough of the Purchase Agreement, the Borough will sell the System Assets to PA-American by entering into the Purchase Agreement with PA-American; and

WHEREAS, pursuant to the Purchase Agreement, the Borough will assign the Borough's rights and obligations under all relevant Agreements to PA-American as necessary and appropriate and in accordance with the Purchase Agreement; and

WHEREAS, under the Purchase Agreement, the Borough will transfer to PA-American as necessary and required bills of sale, instruments of assignment, consents to transfer, deeds, and other agreements, documents, and instruments of conveyance (collectively, the "Conveyance Instruments"), and

WHEREAS, the Borough currently receives information as to water consumption by customers within the service area of the System from companies and to facilitate accurate billing (the "System Billing Information") and intends to pass on the System Billing Information and any and all rights of the Borough in connection therewith, (except liens), to PA-American and cooperate with PA-American as is required for the continued operation of the System.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the Borough of Royersford Borough Council as follows:

1. Council hereby authorizes and approves the execution, delivery, and performance of the Purchase Agreement substantially in

Appendix J

the form attached hereto as Exhibit A. The President or Vice-President of Council are hereby authorized and directed on behalf of the Borough to execute any and all papers and documents, and to do and cause to be done any and all actions and things necessary or proper to execute the Purchase Agreement.

2. Council hereby authorizes and approves the assignment of the Borough's rights and obligations under all relevant agreements in order to effectuate the sale of the System and the System Assets, including among other things, the relevant rights and obligations under Authority agreements. The President or Vice-President of Council are hereby authorized and directed on behalf of the Borough to execute any and all papers and documents, and to do and cause to be done any and all actions and things necessary or proper to effectuate such assignment, provided that the terms and conditions of all such papers and documents are satisfactory to the Borough Solicitor and Special Counsel to the Borough.

3. Council hereby authorizes the execution and delivery by the President or Vice-President of Council, of the Conveyance Instruments necessary and required to be executed and delivered under the Purchase Agreement, provided that the terms and conditions of such Conveyance Instruments are satisfactory to the Township Solicitor and Special Counsel to the Borough.


4. The proceeds of the sale shall be utilized at the discretion of Council in a manner consistent with the Pennsylvania Borough Code.

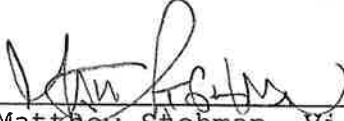
5. Council hereby authorizes the Borough, its agents and employees, to communicate the System Billing Information and any and all rights of the Borough in connection therewith, and other information required or desirable in the sole discretion of President or Vice-President of Council, to PA-American, and cooperate with PA-American for the continued operation of the System and the use of the System Assets.

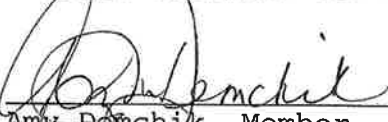
6. Council hereby further authorizes the Borough, its agents and employees, to take any and all necessary actions required by the Pennsylvania Borough Code and other applicable law to complete the sale of the System Assets.

RESOLVED this 10th day of December, 2019.

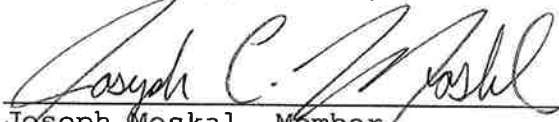
BOROUGH OF ROYERSFORD
BOROUGH COUNCIL

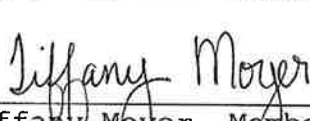

Anil Dham, President

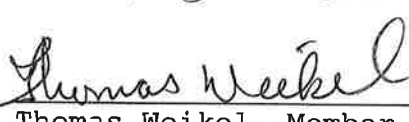

Matthew Stehman, Vice President


Amy Denchik, Member



Alexandra Metricarti, Member


Joseph Moskal, Member


Tiffany Moyer, Member


Thomas Weikel, Member

ATTEST:


Michael A. Leonard, Secretary