

**EAST NORRITON TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE NO. 581

AN ORDINANCE AUTHORIZING THE EXECUTION BY EAST NORRITON TOWNSHIP (THE “TOWNSHIP”) OF AN ASSET PURCHASE AGREEMENT (THE “PURCHASE AGREEMENT”) BETWEEN THE TOWNSHIP AND PURCHASER AQUA PENNSYLVANIA WASTEWATER, INC. (“AQUA”); AUTHORIZING THE ASSIGNMENT OF THE TOWNSHIP’S RIGHTS AND OBLIGATIONS IN ALL RELEVANT AGREEMENTS TO AQUA; AUTHORIZING AND APPROVING ALL CONVEYANCE INSTRUMENTS; AUTHORIZING COMMUNICATIONS OF INFORMATION AND COOPERATION WITH AQUA; 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 TOWNSHIP; REPEALING INCONSISTENT ORDINANCES AND RESOLUTIONS; AND PROVIDING FOR A SEVERABILITY CLAUSE AND EFFECTIVE DATE.

WHEREAS, East Norriton Township (the “Township”), a Second Class Township of the Commonwealth of Pennsylvania, currently owns and operates a sanitary wastewater collection system (the “System”) that provides sanitary wastewater service to various customers in the Township and to some surrounding townships pursuant to service agreements, and transports and pumps its sewage to the treatment plant that is owned and operated by the East Norriton-Plymouth-Whitpain Joint Sewer Authority (the “Authority”) pursuant to several agreements; and

WHEREAS, the Township previously decided to pursue the sale of all of the assets, properties and rights of the Township (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 Township 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 Township 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

WHEREAS, the Township received three (3) responses to the RFQ; and after the opportunity for due diligence, the Township received bids in response to the RFB from the three interested entities (“Potential Bidders”) that were found to be qualified; and

WHEREAS, the Township has reviewed the bids submitted by the Potential Bidders, and has determined that Aqua has submitted a bid that is in the best interest of the Township, and offers the greatest value to the Township, as determined by Board of Supervisors (the “Board”) based on the advice of the Township Financial Advisor and the Special Counsel; and

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

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

WHEREAS, under the Purchase Agreement, the Township will transfer to Aqua the ownership of the System Assets through the execution and delivery of all 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 Township 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 Township in connection therewith, (except liens), to Aqua and cooperate with Aqua as is required for the continued operation of the System.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Board of Supervisors of East Norriton Township as follows:

1. **Approval of the Purchase Agreement**

The Board hereby authorizes and approves the execution, delivery, and performance of the Purchase Agreement substantially in the form attached hereto as *Exhibit A*. The Chairman or Vice Chairman of the Board are hereby authorized and directed on behalf of the Township 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. **Assignment of all Relevant Agreements**

The Board hereby authorizes and approves the assignment of the Township'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 Chairman or Vice Chairman of the Board are hereby authorized and directed on behalf of the Township 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 Township Solicitor and Special Counsel to the Township.

3. **Approval of Deeds, Certificates, and Related Documents**

The Board hereby authorizes the execution and delivery by the Chairman or Vice Chairman of the Board, 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 Township.

4. **Disposition of Proceeds**

The proceeds of the sale shall be utilized at the discretion of the Board in a manner consistent with the Pennsylvania Second Class Township Code.

5. **Information and Cooperation**

The Board hereby authorizes the Township, its agents and employees, to communicate the System Billing Information and any and all rights of the Township in connection therewith, and other information required or desirable in the sole discretion of the Chairman or Vice Chairman of the Board, to Aqua, and cooperate with Aqua for the continued operation of the System and the use of the System Assets.

6. **General Authorization**

The Board hereby further authorizes the Township, its agents and employees, to take any and all necessary actions required by the Second Class Township Code and other applicable law to complete the sale of the System Assets.

7. **Repealer**

All other ordinances and resolutions or parts thereof as they are inconsistent with this Ordinance are hereby repealed.

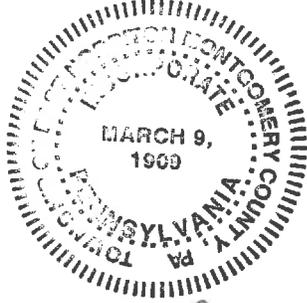
8. **Severability**

The provisions of this Ordinance are intended to be severable, and if any section, sentence, clause, part or provision hereof shall be held illegal, invalid or unconstitutional by any court of competent jurisdiction, such decision of the court shall not affect or impair the remaining sections, sentences, clauses, parts or provisions of this Ordinance. It is hereby declared to be the Intent of the Board that this Ordinance would have been adopted even if such illegal, invalid or unconstitutional section, sentence, clause, part or provisions had not been included herein.

9. **Effective Date**

This Ordinance shall take effect and be in force five (5) days from and after its approval as required by the law.

ENACTED AND ORDAINED this 25th day of September, 2018.



**EAST NORRITON TOWNSHIP
BOARD OF SUPERVISORS**

ATTEST:


ROBERT R. HART, SECRETARY


DENNIS DESANTO, CHAIRMAN