

200 West Kensinger Drive Suite 400 Cranberry Township, PA 16066 724.779.4777 www.hrg-inc.com



December 10, 2021

Mr. Jason Dailey Cranberry Township 2525 Rochester Road, Suite 400 Cranberry Township, Pennsylvania 16066-6499

Re: Proposal for Financial Services

Water and Sewer Rate Studies and Capital Charge Evaluation

Dear Mr. Dailey,

Herbert, Rowland & Grubic, Inc. (HRG) is pleased to submit the following AGREEMENT to provide financial services associated with evaluating the Township's rates and capital charges for its water and sewer systems in response to your request as part of our virtual meeting on September 17, 2021.

GENERAL PROJECT DESCRIPTION

The Township desires to undertake rate studies for its water and wastewater utilities to ensure each fund is financially sound, with users providing revenue to recover the cost of providing service and funding is available for capital improvements in upcoming years. Currently both utilities bill for services based upon a meter charge and volumetric usage, however, the Township is interested in evaluating other rate structure options. HRG will review historical water consumption and water and sewer billing records in order to determine typical usage and propose an appropriate structure to recover the cost of providing service.

HRG will also review historical and trended costs of water and sewer facilities to establish Capital Charges which allow the Township to equitably recover a portion of system construction costs through tapping fees.

SCOPE OF SERVICES-Refer to Exhibit 1

COMPENSATION

We propose to complete this work, identified in Exhibit 1, on an hourly basis plus reimbursable expenses with estimated total compensation as follows:

Water and Sewer System Rate Studies: Water and Sewer Capital Charge Studies: \$16,600 per utility (\$33,200 combined)

Phase 1 – Preliminary Review
Phase 2 – Capital Charge Update

\$2,500 per utility (\$5,000 combined) \$5,100 per utility, as appropriate Mr. Jason Dailey Cranberry Township December 10, 2021

Charges shown above assume all four studies are authorized together, allowing for efficiencies in data review and analysis to be realized in the estimated charges.

This work will be subject to the attached General Conditions, Exhibit 2, and our current Fee Schedule, Exhibit 4 and Billable Expense Schedule, Exhibit 5. Our policy is to render invoices monthly based on the time and expenses incurred. When the cumulative compensation reaches 75% of the estimated compensation, HRG will notify the CLIENT of any adjustments to the estimated total.

COMPLETION

The CLIENT and HRG agree that they will endeavor to complete the outlined services within five months of receipt of your execution of this AGREEMENT.

AUTHORIZATION

We have developed this AGREEMENT specifically with your project needs in mind. To execute this AGREEMENT and indicate your acceptance of these terms, and authorize the work to begin, please sign the CLIENT acceptance below and return a copy to our office.

This AGREEMENT and all attachments constitute an offer to enter into a contract with you. By having an authorized individual execute this AGREEMENT, you agree that you have read and understand this proposed AGREEMENT and all of its attached Exhibits and that you agree to all of the terms.

This AGREEMENT shall remain open and may be accepted by the CLIENT for thirty (30) days from the above date. Acceptance of the AGREEMENT after the end of the 30-day period shall be valid only if HRG elects, in writing, to reaffirm the AGREEMENT and waive its right to reevaluate and resubmit the AGREEMENT.

If you have any questions concerning our AGREEMENT, including the attached exhibits, please feel free to contact me to discuss them in greater detail. We appreciate the opportunity to provide you with professional services in this capacity and look forward to working with you on this project.

Very truly yours,

HERBERT, ROWLAND & GRUBIC, INC.

Adrienne M Vicari

Adrienne M. Vicari, P.E.

Practice Area Leader | Financial Services

AMV/pk P001261.0547

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Enclosures

ACCEPTED BY:				
CRANBERRY TOWNSHIP	TITLE	DATE		
Proprietary Notice				

This AGREEMENT contains proprietary information regarding Herbert, Rowland & Grubic, Inc. and is a work product containing business sensitive materials. This AGREEMENT was prepared in response to your request for your specific project and no portion of this AGREEMENT may be shared with any other party.

Mr. Jason Dailey Cranberry Township December 10, 2021

EXHIBIT 1 SCOPE OF SERVICES

In order to meet your needs as outlined in the above paragraph, HRG proposes the following scope of services:

WATER AND SEWER SYSTEM RATE STUDY

In order to meet your needs as outlined on page 1 of the Agreement, HRG proposes the following Scope of Services relative to the preparation of a rate study for the water and sewer systems:

- 1. We will review the Township's existing financial and operational information for the water and sewer systems including the annual budget, prior years' income and expense summaries, audit reports prepared by the Township's auditors, annual water supply reports, Chapter 94 reports, water demand information and water/sewer billing records for twelve (12) preceding months or other representative period as determined by the Township.
- 2. Discuss water and wastewater system operations with Authority Staff to identify specific needs of the systems that should be considered in the calculation and evaluation of rates. For example, changes in financial circumstances, and operations that impact revenues, expenses and debt service, desired levels of cash balances, fund requirements, etc.
- 3. We will evaluate revenues and expenses of the Township's water and sewer utility operations for the years 2019, 2020 and 2021 and compute the revenue requirement for the systems. We will also attempt to identify fixed and variable expenses, anticipated capital improvements over the next five years, Equipment Replacement Fund needs, and any other identified financial changes.
- 4. We will develop five year projections of revenue and expenses using current operating costs and general system costs adjusted for estimated inflation, anticipated growth and other identified factors. The projection will also include costs associated with replacing existing equipment and any anticipated future debt service related to planned capital projects. It is assumed that capital improvement projects and costs estimates have already been developed and will be provided to HRG for inclusion in the five year budget.
- 5. We will work with Township staff to identify any other rate structures which may meet the goals and policies of the Township and propose up to two additional rate structures for each utility, as appropriate.
- 6. We will summarize calculations of preliminary rates and recommended rate adjustments, in a letter report and meet with the Township to discuss our findings.
- 7. We will determine the ability of the recommended rates and rate structures to meet the revenue requirement determined above on an annual basis.

Our scope and fee assume the Township will provide water and sewer billing records, along with current and historic budgets in excel format.

If the Township would like HRG to develop 5-year Capital Improvement plans for inclusion in the rate study analysis, HRG would be pleased to do so. Additional charges may apply.

Calculation of Fees Under PA Act 57 Of 2003

The below scope was developed on the basis of our discussions and an assessment of the work required. In general, our work will be based upon information contained in the existing records provided by the Township, discussions with your personnel, data contained in published reports, indexes, and other materials. No independent verification of system components or capacities is anticipated. In the event that additional information is needed in order to complete our study, a written explanation and separate written authorization to develop the necessary information will be provided.

As part of the evaluation of Capital Charges, HRG proposes to calculate, in accordance with the provisions of Act 57 of 2003, the various charges described in the Act under two phases, as follows:

PHASE 1

HRG proposes to review the Township's existing tapping fee calculations for the water and sewer systems to determine if a formal update to the studies would allow the Township to recover additional costs and equity in the system and if an update would be cost effective at this time. As part of our analysis, we intend to review the previous study and speak with Township personnel to gain an understanding of any capital improvements performed since the date of the last study, which may increase the overall value of the system as calculated through the Act. This will be combined with an evaluation of cost trend indexes used for the previous study as compared to current indexes to gain an understanding of the present value of the system. Any modifications to the design capacity of major system components will also be discussed with Township personnel to gain an understanding of their impact on the recalculation of fees. As part of our evaluation, HRG will provide a brief letter report summarizing our findings and providing a recommendation as to the benefits of performing a Capital Charge update for the water and sewer systems at this time.

PHASE 2

If Phase 1 of our analysis determines that additional costs and equity can be recovered in the water and/or sewer system, the calculations will be completed as follows:

- 1. Connection Fee and Customer Facilities Fee
 - A. Review of procedures for cost accumulation
 - B. Review of documentation for determining Average Cost
 - C. Provide report and recommendation

2. Tapping Fee

- A. Determine the original cost and approximate date of acquisition of all system facilities from provided records.
- B. Trend original costs to current value using Engineering News Records, 20 Cities Construction Cost Index, or other appropriate cost trend index.
- C. Classify facility costs in accordance with the individual tapping fee parts identified in the Act.
- D. From system records, determine the amount of grants, assessments, or other capital contributions related to the various facilities.
- E. Review the status of any planned system improvements for eligibility for inclusion in the tapping fee basis. For those planned facilities considered to be eligible, document basis for eligibility in accordance with the eligibility tests provided in the Act or such other tests as may be appropriate under the circumstances.
- F. Review design capacities for major system components based upon existing records and prevailing design criteria established by the Pennsylvania Department of Environmental Protection.
- G. Review existing Developer Agreements of the applicability of refund provisions contained in the Act.
- H. Review Rules and Regulations for potential conflict with provisions of Act 57.
- 3. Provide a written report showing the basis of the charge and the method of calculation. Attend a meeting to present report findings, as requested.
- 4. Provide assistance to your Solicitor as requested.

Our proposal assumes that the Township has a sufficient listing of assets in accordance with Act 57, which has been prepared and updated since 2003. Additional charges may apply if historical project cost and grant information is not readily available.

Similarly, we anticipate the use of the Trended Historical Cost method of cost determination. This is one of the methods permitted by Act 57 and, in our opinion, is the most defensible. The Historical Cost Plus Interest method will generally produce a lower cost while the Replacement Cost method may only be used if historical cost information is not available and requires a highly detailed inventory of existing facilities and engineers' certification. A separate written authorization to use one of these alternative methods will be made should a review of your records and circumstances indicate that its use could produce a more favorable result.

EXHIBIT 2 GENERAL CONDITIONS

- 1. INTENT. These General Conditions set forth the terms and conditions of the contract to which they are attached. These conditions are applicable to that contract and control absent language to the contrary in the contract.
- 2. LEGAL EFFECT. The terms of this AGREEMENT are legally binding and have legal consequences. Both HRG and CLIENT have had legal counsel review this AGREEMENT or understand that they have the right to have legal counsel review this AGREEMENT and have chosen not to do so. This AGREEMENT is fully integrated and no promises, representations or other statements made by either Party prior to the date of this AGREEMENT are binding upon either party or may be used for any purpose whatsoever.
- 3. PERFORMANCE OF PROFESSIONAL SERVICES. The services that HRG will provide on this Project are Professional Services subject to the ordinary Standard of Care applicable to Professionals practicing in the project area at the time these services are provided. There are no warranties or guarantees in any respect. CLIENT recognizes that HRG's Professional Services may be provided in part by Sub-consultants of HRG's choice for whose Professional Services HRG assumes the same responsibility as if those services were performed by HRG. CLIENT recognizes that HRG may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and published technical standards.
- 4. NO DUTY TO SUPERVISE OR CONTROL CONSTRUCTION. If this AGREEMENT involves construction of a Project, the construction of the Project shall be under the sole direction, supervision and control of the Prime Contractor(s) and HRG shall have no duty or authority to assume direction, supervision or control of the work of any contractor. HRG shall have no responsibility or liability for acts, omissions or errors of any Contractor, Subcontractor or Supplier.
- 5. ASSIGNMENT. Neither HRG nor CLIENT shall assign their respective duties nor responsibilities under this AGREEMENT except by written supplement to this AGREEMENT or as either may be required to do so as a matter of law. Nothing in this Article contradicts the provisions of Article 3 permitting subcontracting of services by HRG as is appropriate.
- 6. TIME OF PERFORMANCE. HRG will perform its services in a reasonably timely manner unless there is a specific time for performance set forth in the AGREEMENT or Exhibit 1. If Construction Phase services are included in the scope, Construction Administration Services begin on the date a Notice to Proceed to the contractor (or date of award, depending on whether pre-construction services are included) is issued and terminates after the number of Contract Days identified as the contract term in the Construction Contract. If the Construction Contract is a multiple prime contract project, the time for HRG's performance shall be the number of contract days in the General Contract for Construction (alternately set forth the number of days). The compensation for HRG's services have been agreed to in anticipation of the orderly and continuous progression of the work. If the time of performance is exceeded through no fault of HRG, the compensation shall be subject to equitable adjustment.
- 7. CLIENT RESPONSIBILITIES. CLIENT agrees to cooperate with HRG in providing timely information and documentation as requested; access to the work site as necessary and prompt, complete and reasonable review of design or other documents requiring review and approval. Any required approvals shall not be unreasonably delayed or withheld.
- 8. DELAYS. CLIENT and HRG agree that delays in the performance of HRG's work which are caused by circumstances beyond the control of HRG shall operate to extend the time for HRG's performance. Unless CLIENT specifies, and HRG agrees in writing, to a specific time for performance, CLIENT waives any claim against HRG for damages caused or allegedly caused by delays in performance of this AGREEMENT by HRG.
- 9. PAPER DOCUMENTS. If the scope of services includes production of paper document deliverables, HRG will produce paper document deliverables in printed form at each stage of CLIENT's review solely for review and comment by CLIENT. Final paper document deliverables in a number specified in the AGREEMENT will be produced by HRG.
- 10. INSTRUMENTS OF SERVICE. All documents (hard copy or electronic) produced by HRG, at any stage of HRG's work under this AGREEMENT, are instruments of service and HRG retains the exclusive ownership of and copyright on them. During bidding, construction, and commissioning and testing of the Project, CLIENT and CLIENT's contractors will have a limited license to use the Construction Documents to complete the Project. Upon completion of the Project, CLIENT will retain a further license as necessary for the maintenance and repair of the Project.
 - CLIENT shall have no license at any time to use the Instruments of Service created for this Project for use on another Project or for any purpose other than use in routine maintenance of the final Project. In the event that CLIENT wishes to change, modify or add to the Project, HRG will grant in writing a limited license to CLIENT to use the Drawings

created for this Project for reference purposes only in the design of the changes, modifications or additions. That limited license shall be subject to terms appropriate to protect HRG's ownership and to protect and indemnify HRG against any legal liability for the design and construction of any changes, modifications or additions.

Any use of HRG's Instruments of Service that is not authorized pursuant to this AGREEMENT or any addition or modification to this AGREEMENT or any other unauthorized use, shall subject the CLIENT to liquidated damages in an amount equal to the fee for design as set forth herein.

- 11. ELECTRONIC DOCUMENTS. Electronic Documents include correspondence, computer program files (i.e. Word, Excel, computer aided design and drafting CADD, etc.), documents, text data, drawings, information, graphics, or any other item in electronic media or digital format. HRG will not provide copies of Electronic Documents to CLIENT or to another entity except upon the written request of CLIENT and subject to the following conditions:
 - a. CLIENT and HRG may transmit, and shall accept, Project-related Electronic Documents in electronic media or digital format, directly, or through access to a secure Project website. If the scope of services does not establish an Electronic Documents Protocol for Electronic transmittal, then CLIENT and HRG shall jointly develop such protocols.
 - b. CLIENT agrees the Electronic Documents are not certified documents. HRG, by delivering the Electronic Documents to CLIENT, makes no express or implied guarantees or warranties as to the files' accuracy, title, non-infringement, and completeness, or merchantability and fitness for any purpose.
 - c. When transmitting items in Electronic Documents, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from that used in the drafting or transmittal of the items, or from these established in applicable transmittal protocols.
 - d. CLIENT shall waive all claims against the design professional arising from unauthorized changes to or use of the Electronic Documents.
 - e. CLIENT acknowledges that differences may exist between the Electronic Documents and the signed and sealed documents, and where such conflicts exist, the signed and sealed hard-copy control.
 - f. CLIENT and/or any other party to which CLIENT requests Electronic Documents be supplied agree to release HRG from any liability for errors in the electronic documents or difference between the electronic documents and the published and sealed printed Documents.
 - g. CLIENT and/or any other party to which CLIENT requests Electronic Documents be supplied agree to indemnify, defend and hold HRG harmless from and against any claims by third parties against HRG based on or allegedly based on (1) reliance on the electronic documents, or (2) arising from changes made to the CAD files by anyone other than the design professional, or (3) the transfer or reuse of the CAD files by anyone without the prior written consent of HRG.
 - h. CLIENT and/or any other party to which CLIENT requests Electronic Documents be supplied agree to remove any signatures, seals and other identification of HRG or any employee, servant or agent of HRG from any paper documents or electronic reproductions produced from the supplied electronic documents.
 - i. CLIENT and/or any other party to which CLIENT requests Electronic Documents be supplied stipulate that any and all bids, takeoffs, estimates or other decisions made in the process of bidding, proposing and construction of the process were made in reliance on the signed and sealed Construction Drawings and not in reliance on any electronic documents.
- 12. INDEMNIFICATION. Each party agrees to indemnify the other, its agents, servants, employees, insurers, officers, directors and any affiliated entities to the full extent allowed by law against any liability, loss, award, verdict or other imposition of financial responsibility, including statutory interest which is incurred as the result of the others negligence or intentional act, but only to the extent and in the percentage of liability determined by a legally constituted finder of fact and embodied in a final judgment entered against the Indemnitor.
 - If either party is found to have liability to a third party to which the provisions of this clause may apply; then upon written request by that party, the parties agree to mediation to determine whether and to what extent the other party is responsible to indemnify it under this clause.
- 13. ADDITIONAL SERVICES. HRG shall be entitled to additional compensation if:

- a. CLIENT requests that HRG perform additional services;
- b. The Contract time is extended for any reason beyond the control of HRG;
- c. HRG is required to perform additional services for any reason other than its own negligent act or omission; or
- d. The services are necessary to prevent delay to the Project, damage to the Project or other property or to prevent death or injury to any persons.

The amount of such fee shall be as agreed to by the parties and pursuant to the fee schedule (Exhibit 4). If no such agreement can be reached, HRG shall provide services and payment therefor shall be determined pursuant to the Dispute Resolution terms set forth herein.

14. CONSTRUCTION COST AND OPINIONS OF COST. The construction cost of the entire Project (herein referred to as "Construction Cost") means the total cost to CLIENT of those portions of the entire Project designed and specified by HRG, but it will not include HRG's compensation and expenses, the cost of land, rights-of-way, or compensation for or damages to, properties unless this AGREEMENT so specifies, nor will it include CLIENT's legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project or the cost of other services to be provided by others to CLIENT. Construction Cost is one of the items comprising Total Project Costs.

Since HRG has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, HRG's opinions of probable Total Project Costs and Construction Cost represent HRG's best judgment as an experienced and qualified professional and familiarity with the construction industry. HRG cannot and does not guarantee that proposals, bids or actual Total Project or Construction Costs will not vary from opinions of probable cost prepared by HRG. If prior to the Bidding or Negotiating Phase CLIENT wishes greater assurance as to Total Project or Construction Costs, CLIENT shall employ an independent cost estimator.

15. PAYMENTS. Invoices will be submitted by HRG on a monthly basis as the work proceeds. Payments will be due and payable in full on receipt of an invoice by CLIENT without retainage, payment will not be contingent upon receipt of funds from third parties or should not be held as an offset to any alleged dispute. If fees are not paid in full within 60 days of the date of the invoice, HRG reserves the right to pursue all remedies, including withdrawing certifications, stopping work on three (3) days' prior written notice, to withhold submission (to CLIENT or any third party, municipality, or agency) of any plans or other documents and retaining all documents without recourse. If at any time an invoice remains unpaid for a period in excess of 60 days, interest of the rate of 1.5% per month will be charged on past-due accounts. CLIENT agrees to indemnify and hold harmless HRG from and against any and all reasonable fees, expenses and costs incurred by HRG including, but not limited to, court costs, arbitrators and attorneys' fees and other claim related expenses incurred in the collection process.

All invoicing will be substantiated by HRG cost record sheets and work order system, all of which shall be made available to CLIENT upon request and during regular working hours for inspection and audit. Time spent in additional detailing of invoices is considered extra effort on the Project and will be invoiced as additional work along with any related cost of making copies and reproductions. Any increase in HRG's cost after the effective date of the AGREEMENT resulting from state or federal legislation shall be reimbursed by the CLIENT.

Timely payment of invoices is a condition of this AGREEMENT. Failure to make payments in full within the time limits stated above will be considered substantial noncompliance with the terms of this AGREEMENT and will be cause for termination of the AGREEMENT if HRG so chooses.

- 16. CONTROLLING LAW AND VENUE. Any dispute arising out of this AGREEMENT shall be subject to interpretation under the laws per the state of HRG's office issuing this AGREEMENT and the venue shall be the county of HRG's office issuing this AGREEMENT unless otherwise set forth in the AGREEMENT.
- 17. INSURANCE. HRG shall provide insurance of the type and in the amount set forth in Exhibit 3 to this AGREEMENT. Each party waives the right to subrogation against the other and its agents, servants, employees, insurers, officers, directors and any affiliated entities to the full extent allowed by law, to the extent that such waiver neither defeats nor diminishes the available coverage or agreement to provide a defense.
- 18. TERMINATION. Either party may terminate this AGREEMENT for cause if the other has substantially breached the terms of the AGREEMENT. Termination for cause shall only be effected by giving written notice of the nature of the cause to the other party. Such notice shall be of sufficient specificity for the other party to have notice of the nature, cause

and cure of such alleged breach. The party in breach shall have 7 days, unless a greater time is agreed to by the parties, to cure the default. If no cure has been effected within the 7 day period, (or any extension thereof agreed to) the party not in breach may terminate the AGREEMENT for cause.

If CLIENT terminates this AGREEMENT for cause, HRG shall be entitled to payment in full for all work performed up to and including the day on which HRG was notified of the termination. If HRG terminates for cause, CLIENT is entitled to no further performance by HRG.

CLIENT may terminate this AGREEMENT for convenience upon fifteen (15) days written notice to HRG. In the event of termination for convenience by CLIENT, HRG shall be entitled to payment in full for all work performed up to and including the day on which HRG was notified of the termination plus any remaining unearned profit on the Project as calculated in accordance with commonly accepted Accounting Standards.

- 19. SUSPENSION. If the CLIENT suspends the Project for any reason, HRG shall be entitled to payment for all fees and costs billable as of the date of suspension and any other reasonable fees and costs necessary to protect CLIENT's interests related to the suspension. If the Project is reinstated, the terms of this AGREEMENT shall remain in effect with the exception of the agreed upon fee to complete the work set forth herein. The parties agree to negotiate a new fee for the completion of suspended work in accordance with HRG's then applicable fee schedule.
- 20. THIRD PARTY BENEFICIARIES. The parties do not intend to create any third party beneficiaries to this AGREEMENT. No individual or entity other than the parties is entitled to claim rights or privileges under this AGREEMENT nor to cite or use this AGREEMENT or the terms thereof as evidence of rights, privileges or entitlement to damages or redress in any forum. Both parties agree to cooperate with each other to defeat any such claim and to oppose any attempt by a third party to seek third party beneficiary status under this AGREEMENT or to make any claim under it.
- 21. LIMITATION OF LIABILITY. HRG's liability to CLIENT shall be limited to direct damages only in the form of services and the reasonable cost of repair or replacement of those portions of the Project in question made necessary by a negligent act or failure to act of HRG.

HRG shall not be liable or responsible to CLIENT for special, consequential, incidental or other damages, attorney's fees or expert fees, loss of profit, loss of revenue, cost of rented or leased equipment or services, regulatory fines or costs.

Under no circumstances shall HRG's liability to CLIENT exceed either the total fee received by HRG for basic and additional services on the Project or the amount of available Professional Liability Insurance at the time of the claim, whichever is less.

- 22. HRG is not required to provide and does not have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.
- 23. HRG's services do not include providing legal advice or representation.
- 24. HRG's services do not include (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission, or (2) advising CLIENT, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances.
- 25. If HRG encounters an undisclosed Constituent of Concern, then HRG shall notify CLIENT; and HRG may notify appropriate governmental officials if HRG reasonably concludes that doing so is required by applicable Laws or Regulations. If HRG or any other party encounters an undisclosed Constituent of Concern, or if investigative or remedial action, or other professional services, are necessary with respect to disclosed or undisclosed Constituents of Concern, then HRG may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until the CLIENT: (1) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Constituents of Concern; and (2) warrants that the Site is in full compliance with applicable Laws and Regulations. CLIENT and HRG acknowledge that HRG is performing professional services for CLIENT, and that HRG is not or shall not be required to become an "owner," "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with any of HRG's or HRG's activities or services under this AGREEMENT. A Constituent of Concern is any substance, product, waste, or other material of any nature whatsoever (including, but not limited to, Asbestos, Petroleum, Radioactive Material, and PCBs) which is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability

Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§ 7401 et seq.; and (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

26. MISCELLANEOUS

- a. ENTIRE AGREEMENT. This AGREEMENT and any exhibits attached hereto constitute the entire AGREEMENT between the parties on the Project. No prior or subsequent negotiations, discussions, verbal agreements or representations are binding upon the parties making them unless hereafter reduced to writing and agreed to by both parties in writing.
- b. SEVERABILITY. Each portion of this AGREEMENT is severable. If any portion is found to be illegal or otherwise unenforceable, that finding shall not affect any other portion of the AGREEMENT and the remainder of the AGREEMENT shall be binding and enforceable in its entirety.
- c. OTHER WORK. Nothing in this AGREEMENT is intended to nor shall limit HRG in any way from accepting and performing services for any other entity. Unless agreed to in writing, any additional services on this Project or on any other Project for which CLIENT contracts with HRG shall be subject to these same terms and conditions.
- d. MARKETING/ADVERTISING. CLIENT grants HRG license to erect signage at the construction site with its name and logo and language identifying it as the Engineer on the Project subject to any municipal or other legal limitations on size and construction. In addition, CLIENT grants HRG an unlimited license to utilize photos, drawings or other renderings and/or descriptions of the Project in HRG's advertising or marketing.
- e. AUTHORITY. The parties agree that the person or person's executing and verifying or attesting those signatures are authorized to execute this AGREEMENT and shall, upon request by the other party, provide proof of such authorization. The parties waive their right to contest the execution of this AGREEMENT on their respective parts, if such contest not raised within 10 days of the date of execution.
- 27. GOOD FAITH AND FAIR DEALING. The parties agree to cooperate and provide timely information and responses as requested by the other in fulfillment of the intent of this AGREEMENT. In the event of a dispute between the parties, the parties agree to make reasonable attempts to resolve any such dispute prior to entering into litigation.

EXHIBIT 3 INSURANCE

The insurance(s) as per General Conditions Paragraph 17 of this AGREEMENT are as follows:

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IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).										
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lames B Murdoch Insurance Group Inc PROSE (717)737-9800 (AIC, No): (717)737-9852					37-9852					
James B Murdoch Insurance Group Inc Inc. (A)C, No. Ext.; (717)737-9900 FAX (A)C, No. Ext.; (717)737-9952 4300 Carlisle Pike ADDRESS: melissa@jbminsurance.com										
			INSURER(S) AFFORDING COVERAGE NAIC #					NAIC #		
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SURED						INSURER B : ERIE INS CO of NY				26271
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OVE		TIFIC	CATE	NUMBER:	INSURER	CF:		REVISION NUMBER:		
THIS	IS TO CERTIFY THAT THE POLICIES	OF	INSU	RANCE LISTED BELOW HA	VE BEEN	N ISSUED TO	THE INSUR	ED NAMED ABOVE FOR 1	THE POL	JCY PERIOD
INDIC CERT	ATED. NOTWITHSTANDING ANY RE IFICATE MAY BE ISSUED OR MAY USIONS AND CONDITIONS OF SUCH	QUIF	REME TAIN.	NT, TERM OR CONDITION THE INSURANCE AFFORD	OF ANY	CONTRACT	OR OTHER S DESCRIBE	DOCUMENT WITH RESPE D HEREIN IS SUBJECT T	ECT TO	WHICH THIS
R R	TYPE OF INSURANCE	ADDL INSD	SUBR	POLICY NUMBER		POLICY EFF MMIDO/YYYY)	(MM/DD/YYYY)	LIMIT	rs	
	CLAIMS-MADE OCCUR							EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Fa occurrence)	s 1000	0000
\vdash								MED EXP (Any one person)	s 5000	
	J			Q61-0097009		5/1/2021	5/1/2022	PERSONAL & ADV INJURY	\$ 1000	
GE	N'L AGGREGATE LIMIT APPLIES PER:							GENERAL AGGREGATE	\$ 2000	
\vdash	POLICY X PRO-							PRODUCTS - COMP/OP AGG	\$ 2000	1000
AU	OTHER: TOMOBILE LIABILITY							COMBINED SINGLE LIMIT (Ea accident)	\$ 1000	0000
X								BODILY INJURY (Per person)	\$	
ــا ٠	OWNED SCHEDULED AUTOS			Q05-1502279		5/15/2021	5/15/2022	BODILY INJURY (Per accident)	\$	
\vdash	AUTOS ONLY HIRED AUTOS ONLY AUTOS ONLY AUTOS ONLY							PROPERTY DAMAGE (Per accident)	\$	
+	UMBRELLA LIAB X occup	_			_				\$	
×	ZX OCCOR			000 0470004		5/1/2021	5/1/2022	EACH OCCURRENCE	s 1000	
\vdash	OLF-MIND-MONDLE			Q29-0170004		5/1/2021	5/1/2022	AGGREGATE		0000
wo	DED X RETENTION S RKERS COMPENSATION				_			X PER STATUTE OTH-	\$	
ANG	EMPLOYERS' LIABILITY					5/1/2021		E.L. EACH ACCIDENT	s 100000	
OFF	PROPRIETOR:PARTNER:EXECUTIVE NICER:MEMBER EXCLUDED?	N/A		Q89-5101392			5/1/2021 5/1/2022	E.L. DISEASE - EA EMPLOYEE	· -	
If ye	s, describe under SCRIPTION OF OPERATIONS below							E.L. DISEASE - POLICY LIMIT		
-	ofessional Liability							Per Claim	+	00,000
: "	olessional Liability			AEH 00-822-00-56		6/9/2021	6/9/2022	Per Aggregate	\$5,0	00,000
SCREP	non of operations / locations / vehici	LES (A	ACORE	101, Additional Remarks Schedu	zie, may be	attached if mor	e apace la requir	ed)		
ERT	FICATE HOLDER	_			CANC	ELLATION				
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.										
						ZEDREPRESE		۵.		
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EXHIBIT 4

2021 FEE SCHEDULE FOR HOURLY COMPENSATION METHODS OR IF ADDITIONAL SERVICES ARE REQUIRED



2021 HRG	RATES
BILLING CATEGORIES	RANGE
Administration I	\$55 - \$65
Administration II	\$65 - \$80
Environmental Scientist I	\$85 - \$105
Environmental Scientist II	\$105 - \$125
Senior Environmental Scientist	\$125 - \$140
Planner I	\$85 - \$105
Planner II	\$105 - \$125
Senior Planner	\$125 - \$140
Landscape Architect I	\$85 - \$105
Landscape Architect II	\$105 - \$125
Senior Landscape Architect	\$125 - \$140
Surveyor I	\$70 - \$90
Surveyor II	\$90 - \$120
Senior Surveyor	\$120 - \$135
GIS Professional I	\$85 - \$105
GIS Professional II	\$105 - \$125
Senior GIS Professional	\$125 - \$150
Resident Project Representative I	\$70 - \$100
Resident Project Representative II	\$100 - \$120
Senior Resident Project Representative	\$120 - \$135
Junior Technician	\$60 - \$65
Technician I	\$85 - \$105
Technician II	\$105 - \$125
Senior Technician	\$125 - \$140
Financial Services Professional I	\$105 - \$125
Financial Services Professional II	\$125 - \$135
Senior Financial Services Professional	\$135 - \$150
Engineering Professional I	\$105 - \$125
Engineering Professional II	\$125 - \$145
Project Engineer	\$145 - \$155
Senior Project Engineer	\$155 - \$165
Assistant Project Manager	\$125 - \$145
Project Manager	\$145 - \$155
Senior Project Manager	\$155 - \$165
Operations Manager/Senior Technical Leader	\$155 - \$180
Principal	\$175 - \$185

All non-exempt employees have overtime rates of 1.5 times their normal billing rate.

PLEASE NOTE: HRG adjusts the rate schedule annually to reflect the cost of doing business for the coming year. This rate schedule is effective January 1, 2021 through December 31, 2021.

EXHIBIT 5CURRENT BILLABLE EXPENSES



2021 CURRENT BILLABLE EXPENSES				
Absorbent Sock – Small Size/Large Size	\$3.50/\$5.00/Each			
All Terrain Vehicle	\$100.00/Day			
Bailers	\$8.50/Each			
Copies/Prints				
Color Copies - 11" x 17"	\$.60/Copy			
Color Copies - 81/2" x 14"	\$.48/Copy			
Color Copies - 81/2" x 11"	\$.40/Copy			
Photocopies	\$.15/Copy			
Wide Format Printing/Copying	\$.50/Square Foot			
Concrete Monuments	\$30.00/Each			
Hydrographic System	\$100.00/Day			
Instrumentation/Meters				
Mini-Monsoon Sampling System	\$60.00/Day			
Oil/Water Interface Probe	\$60.00/Day			
Photoionization Detector	\$100.00/Day, \$250.00/Weekly			
Water Level Indicator – Solinst	\$28.00/Day, \$14.00/Half Day			
Water Level Indicator 200' – Heron	\$30.00/Day			
Lodging	At Cost			
Maps, Permits, Licenses	At Cost			
Meals	At Cost			
Mileage	IRS Allowable			
Miscellaneous Charges	At Cost			
Pocket Colorimeter	\$50.00/Day			
Postage	As Weighed			
Pumps				
Peristaltic Pump	\$40.00/Day			
Whale Pump	\$30.00/Day			
Rotary Hammer Drill Kit	\$100.00/Day, \$50.00/Half Day			
Slam Bar/Bucket Auger	\$10.00/Day			
Sub-Surface Inspection Pole Camera	\$75.00/Day			
Technology Equipment Charge	\$100.00/Day			
Traffic Counters	\$25.00/Day			
Tubing				
1/4" Tubing	\$.13/Foot			
1/2" Tubing	\$.25/Foot			
3/16" x 3/8" Silicone Tubing	\$1.85/Foot			

All expenses are subject to a 10% markup, including, but not limited to travel, printing, postage, survey supplies, etc.

PLEASE NOTE: HRG adjusts the current billable expenses annually to reflect the cost of doing business for the coming year. These expenses are effective January 1, 2021 through December 31, 2021.

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