



Towamencin Township

PFM Update on the Sewer System Due Diligence Process As of October 15, 2021

Donald Delamater
Township Manager
Towamencin Township
1090 Troxel Road
Lansdale, PA 19446

RE: Status Update

Dear Don,

As part of the Township's ongoing exploration of a possible sale of its sewer system, the Township has asked PFM to provide regular updates to the Board on how the process has been proceeding. Below please find a list of events and actions that have occurred since our last update in this exploration phase.

Sincerely,

PFM Financial Advisors LLC

Recent Events:

- Continue drafting all the necessary bidding documents including but not limited to the; Asset Purchase Agreement ("APA") & Schedules, Asset Lease Agreement ("ALA") & Schedules, and the Request for Bids.
 - In the past weeks the Township has met several times to discuss and begin drafting its Operations Standards; a vital component of the ALA
- Continue drafting & complete an FAQ sheet to help address questions from the public. FAQ sheet has been posted to the Township's website.
- On September 24th the Township distributed its draft APA & Schedules to those bidders interested in a purchase of the system for their initial review and comment.
 - On October 15th the Township received responses to its request for comments in connection with the draft APA

Immediate Next Steps:

- Continue fielding due diligence questions received from the bidders.
- Continue drafting the various required bidding documents.



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- The Township will meet with its team to review the comments and questions received from the various bidders as part of the request for comments. Based on a review of the comments received, the Township will release a second, revised draft of the APA & Schedules to the bidders for their final review and comment prior to any request for bids being released (if applicable).