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November 22, 2017

VIA REGULAR & ELECTRONIC MAIL

chouston@pa.gov

Christopher C. Houston, Chief Counsel
Governor's Office of General Counsel
The Department of Community and Economic
Development
Office of Chief Counsel
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120

Re: Preservation Notice

Dear Mr. Houston:

I am the solicitor for the Chester Water Authority ("the Authority"), a viable municipal authority located in Chester, Pennsylvania that provides life-sustaining water services to approximately 200,000 individuals throughout Chester County, Delaware County, and the City of Chester.

In light of recent communications received from the Pennsylvania Department of Community and Economic Development ("DCED") indicating that the Commonwealth and certain of its agents are proposing the potential monetization of some portion of the Chester Water Authority ("the Authority"), including through lobbying Chester City to attempt a unilateral dissolution of the Authority, I write to put the DCED and its agents, including the Act 47 team it oversees, on notice that this issue is likely to lead to litigation in the near future. Accordingly, DCED should immediately preserve of all documents and electronically stored information ("ESI") related to the City of Chester and/or the Chester Water Authority that are in the possession or control of the following parties:

- (i) the DCED
- (ii) Econsult Solutions
- (iii) Fairmount Capital Advisors, Inc.
- (iv) McNees, Wallace & Nurick, LLC
- (v) Aqua America, Inc.

(collectively, "the Parties"). The DCED should inform the Parties of this notice, suspend any normal document retention schedule and disposition policies for the Categories of Information

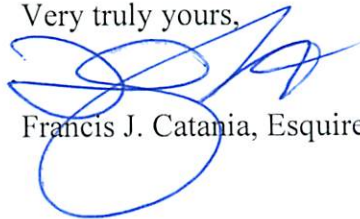
identified below (“Material”), ensure Material is not deleted or destroyed, and suspend any manual or automated practices in effect prior to receipt of this notice that might lead to the deletion or destruction of any Material.

MATERIALS TO BE PRESERVED

The definition of “Material”, as used in this Notice, includes: paper documents and electronically stored information (whether in an electronic database, in electronic format, or on electronic media), related to the City of Chester and/or the Chester Water Authority, such as memoranda, notes, letters, e-mails, files, timesheets, calendars, printouts, PDFs, logs, agreements, contracts, proposals, requests for proposals (RFPs), bids, slides, spreadsheets, databases, presentations, charts, graphs, audio files, voicemails, text messages, Instant Messaging communications, blogs, photographs, videotapes, etc. Final versions as well as all drafts of such materials must be preserved. This request includes not only materials in your possession, but those in your custody or control, including materials that are kept in central or shared environments, archives, or in offsite storage (e.g., departmental files cabinets; central file servers; electronic document repositories; databases; desktop computer; mobile computer; home computer; network data shares; personal intranet sites such as blogs and podcasts; e-mail accounts, including but not limited to, emails in your inbox, sent items, deleted items, drafts folder, and any .pst or .ost files; Instant Messaging applications; portable storage devices such as flash memory devices, DVDs, CDs, diskettes, and iPods; personal data assistant devices such as the Blackberry, Treo, iPhones, and cell phones; file cabinets; drawers; and notebooks; etc.).

If this correspondence is in any respect unclear, please reach out to me immediately. Thank you.

Very truly yours,



Francis J. Catania, Esquire

FJC\dml

cc: Chester Water Authority