

## SUBCONTRACT

This Subcontract, effective for services rendered to the Public Advocate on or after December 1, 2023, is made and entered into as of \_\_\_\_\_, 2025 (“Effective Date”) by and between Community Legal Services, Inc. (“Public Advocate”) and Exeter Associates (“Exeter”):

WHEREAS, Community Legal Services, Inc., has been designated pursuant to a contract (“Contract”) with the City of Philadelphia Water, Sewer and Storm Water Rate Board (“Board”), to serve as Public Advocate, representing the interests of the small user customers of the Philadelphia Water Department (“PWD”), in forthcoming water and wastewater rate change proceedings before the Board.

WHEREAS, Public Advocate is desirous of expert assistance of Exeter, in meeting its obligations in the forthcoming rate change proceedings;

WHEREAS, Exeter has performed similar services for consumer advocate offices or public utility commissions in this state and other states;

WHEREAS, Exeter is uniquely qualified to conduct such services and has agreed to do so; and,

WHEREAS, Exeter has received and reviewed a complete copy of the Contract (including all exhibits and the General Provisions), and understands that this Subcontract is subject to the terms and conditions of that Contract, which are incorporated herein by reference.

NOW, THEREFORE, in consideration of the covenants and conditions hereinafter set forth, the parties hereto, intending to be legally bound, hereby enter into this agreement (“Subcontract”):

1. Exeter will assist in the analysis of the revenue requirement, cost of service, rate design, cost allocation, and related issues, in the forthcoming rate filing of the PWD and other issues of concern to Public Advocate for which Exeter’s expertise is useful.
2. Exeter will provide Public Advocate as requested with the following range of services relating to possible matters of concern:
  - Analysis of the PWD’s records, reports, correspondences, filings and other documents as necessary;
  - Preparation of interrogatories and participation in other formal and informal discovery activities, as required;
  - Preparation of responses to interrogatories propounded upon Public Advocate by

other parties;

- Analysis of any direct, rebuttal and surrebuttal testimony, assistance in preparing cross-examination and participation in cross-examination as permitted;
- Preparation of pre-filed testimony, direct testimony, rebuttal and surrebuttal as determined to be necessary by Public Advocate and submit to cross-examination thereon;
- Technical assistance in the preparation of briefs, reply briefs, exceptions and reply exceptions;
- Analysis of the PWD's compliance tariffs to determine conformity with the Department's final decisions where rates have been changed.

3. Exeter has commenced performance under this Subcontract as of December 1, 2023 and will complete its work on or before November 30, 2025, unless the term of this Subcontract is extended.

4. Public Advocate will pay Exeter for its services under this Subcontract as follows:

The following hourly rates shall apply to individuals serving under this Subcontract shall initially be set as follows:

Lafayette Morgan: \$185

Beginning December 1, 2024, the following hourly rates shall apply to individuals serving under this Subcontract:

Lafayette Morgan: \$205

Jennifer Rogers: \$155

Jerome Mierzwa: \$235

The foregoing rates will be subject to increase as approved by the Board.

5. Public Advocate shall reimburse Exeter for actual costs of properly documented necessary and appropriate travel and lodging expenses required to travel to Philadelphia to provide services under this Subcontract. Lodging at a local hotel and travel to Philadelphia by common carrier will be reimbursed when needed to perform Services required under the Contract, and the maximum per diem rate for hotel stays shall not exceed \$180.00 per night. The maximum daily meals and incidental expenses rate for required travel shall not exceed \$64 per day.

6. Exeter agrees to submit to Public Advocate monthly invoices itemizing charges for professional fees and reimbursable expenses incurred in the previous month. Invoices for professional fees and reimbursable expenses for December 2023 and subsequent months shall be submitted monthly to Public Advocate within ten (10) business days after the end of each month.

7. Exeter agrees that:

(a) work performed by Exeter shall be in conformity with the applicable terms of the Contract;

(b) nothing contained in this Subcontract shall be construed to impair the rights of the City under the Contract;

(c) the City's consent to or approval of this Subcontract shall not create any obligation of the City to any Subcontractor;

(d) nothing contained in this Subcontract, or under the Contract, shall create any obligation of the City to any Subcontractor;

(e) Exeter shall be bound by the same terms, covenants and conditions as Provider under the Contract; including, without limitation, confidentiality, maintenance and preservation of records, and audit by government representatives, under the Contract;

(f) Exeter presently, fully and unconditionally assigns, transfers and sets over to the City all of Exeter's right, title and interest in and to any sales and use tax which may be refunded as a result of a claim for refund for any materials purchased in connection with the Subcontract or the Contract, and otherwise has all obligations to the City that Provider has pursuant to Section 3.8 (Sales and Use Tax) of the Contract;

(g) Exeter shall not be indebted to the City, and shall have all obligations to the City that Provider has pursuant to Subsection 4.1(f) of the General Provisions of the Contract ("No Indebtedness to the City");

(h) Exeter shall comply with Chapter 17-400 (Payment or Reimbursement of Employee Expenses Associated with the Use of Exclusionary Private Organizations) of the Code, and shall have all obligations to the City and to Provider that Provider has pursuant to Section 14.2 (Chapter 17-400 of the Philadelphia Code: Exclusionary Private Organizations);

(i) Exeter shall comply with Section 17-104 (Prerequisites to the Execution of City Contracts) of the Code, and shall have all obligations to the City that Provider has pursuant to Sections 14.6 (Northern Ireland) and 14.8 (Business, Corporate and Slavery Era

Insurance Disclosure) of the Contract;

(j) Exeter shall comply with Chapter 17-1300 of the Code to the extent it is applicable to a Subcontractor that is also a Service Contractor (as defined in Chapter 17-1300) providing Services under the Subcontract, and to subcontractors at any tier that are also Service Contractors providing Services under this Contract; and

(k) Exeter is and shall remain eligible for contracts with the City subject to Chapter 17-1400 (Non-Competitively Bid Contracts; Financial Assistance) of the Code, and shall have all obligations to the Public Advocate that the Public Advocate as Provider has to the City pursuant to Section 14.11 (Chapter 17-1400 of the Philadelphia Code: Contributions and Other Mandatory Disclosures) of the General Provisions of the Contract.

8. Chapter 17-400 of the Philadelphia Code: Exclusionary Private Organizations.

(a) In accordance with Section 17-400 of the Code, as it may be amended from time to time, Exeter agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes a substantial breach of this Subcontract entitling Public Advocate to all rights and remedies provided in this Subcontract or otherwise available at law or in equity.

(b) Exeter agrees to cooperate with the Commission on Human Relations of the City in any manner which the Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-1400 of the Code. Exeter's failure to so cooperate shall constitute a substantial breach of this Subcontract entitling the Public Advocate to all rights and remedies provided in this Subcontract or otherwise available at law or in equity.

9. Section 17-104 of the Philadelphia Code: Northern Ireland.

(a) In accordance with Section 17-104 of the Code, Exeter (including any parent company, subsidiary, exclusive distributor or company affiliated with Exeter) (1) confirms that it does not have, and agrees that it will not have at any time during the Term of this Subcontract (including any extensions of the Term), any investment, licenses, franchises, management agreements or operations in Northern Ireland and (2) agrees that no product to be provided to the City under this Subcontract will originate in Northern Ireland, unless Exeter has implemented the fair employment principles embodied in the MacBride Principles.

(b) In the performance of the Subcontract, Exeter agrees that it will not use any suppliers, subcontractors or subconsultants at any tier (a) who have (or whose parent, subsidiary, exclusive distributor or company affiliate have) any investments, licenses, franchises, management agreements or operations in Northern Ireland or (b) who will provide products originating in Northern Ireland unless said supplier, subconsultant or subcontractor has implemented the fair employment principles embodied in the MacBride Principles.

(c) Exeter agrees to cooperate with the City's Director of Finance in any manner which the said Director deems reasonable and necessary to carry out the Director's responsibilities under Section 17-104 of the Code. Exeter expressly understands and agrees that any false certification or representation in connection with this Section 10 (Section 17-104 of the Code) and any failure to comply with the provisions of this Section 10 (Section 17-104 of the Code) shall constitute a substantial breach of this Subcontract entitling the Public Advocate to all rights and remedies provided in this Subcontract or otherwise available at law (including, but not limited to, Section 17-104 of the Code) or in equity. In addition, Exeter understands that false certification or representation is subject to prosecution under Title 18 Pa. C.S. Section 4904.

10. Chapter 17-1300 of the Code: Philadelphia 21<sup>st</sup> Century Minimum Wage and Benefits Standard.

(a) If Exeter or any subcontractor at any tier is an Employer subject to the requirements of Chapter 17-1300, as that term is defined in Section 17-1302 and described in Section 17-1303 of the Code, then, absent a waiver, during the Initial Term and any Additional Term, in addition to any applicable state and federal requirements, it shall provide and cause any subcontractors at any tier that are also Employers to provide their respective covered Employees with at least the minimum wage standard and minimum benefits standard and notice thereof, as required under applicable law.

(b) A summary of the current requirement is provided at Section 14.10 of the General Provisions of the Contract as modified by Section C of Exhibit PA-3 (Modifications to the General Provisions).

11. Exeter shall perform its services under the Subcontract as an independent contractor and shall not be deemed an employee of the Public Advocate (Community Legal Services, Inc.).

12. Exeter agrees to indemnify, defend and hold harmless Public Advocate and the City, its officers, agents and employees from any and all losses, costs (including, but not limited to, litigation and settlement costs and counsel fees and expenses), claims, suits, actions, damages, liability and expenses, occasioned wholly or in part by Exeter's act or omission or negligence or

fault or the act or omission or negligence or fault of Exeter's agents, subcontractors, independent contractors, suppliers, employees or servants in connection with this Subcontract, including, but not limited to, those in connection with loss of life, bodily injury, personal injury, damage to property, contamination or adverse effects on the environment, intentional acts, failure to pay any subcontractors or suppliers, any breach of this Subcontract, and any infringement or violation of any proprietary right (including, but not limited to, patent, copyright, trademark, service mark and trade secret).

13. If requested, Exeter shall deliver to Public Advocate the background material prepared or obtained by Exeter incident to the performance of this Subcontract. Background material means and includes all original workpapers, notes and drafts prepared by Exeter to support the data or conclusions in the final reports, and includes completed questionnaires, surveys, or other data collection methods, material in electronic data processing forms, computer programs, other printed materials, pamphlets, maps, drawings and books acquired by Exeter during the term of the Subcontract and directly related to the services being rendered.

14. Interest of Subcontractor. Exeter covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Exeter further covenants that in the performance of this Subcontract, it shall not knowingly employ any person having such interest. Exeter further certifies that no member of the board of Exeter or any of its officers or directors have such an adverse interest.

15. Termination of Subcontract

(a) If for any reason Exeter shall fail to fulfill in timely or proper manner its obligations under this Subcontract, or if Exeter shall violate any of the covenants or stipulations of the Subcontract, Public Advocate shall thereupon have the right to terminate the Subcontract by giving written notice to Exeter of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, photographs and reports or other material prepared by Exeter under the Subcontract shall, at the option of Public Advocate, become its property, and Exeter shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Notwithstanding the above, Exeter shall not be relieved of liability to Public Advocate for damages sustained by Public Advocate by virtue of Exeter's performance of its services hereunder.

(b) In addition, this Subcontract may be canceled by Public Advocate upon ten days' notice in writing delivered by mail or in person to Exeter Associates, Inc., 10480 Little Patuxent Pkwy, #300, Columbia, MD 21044. In that event, all finished or unfinished documents, data, studies, photographs and reports or other material prepared by Exeter under this Subcontract shall, at the option of Public Advocate, become its property, and Exeter shall be

entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

16. Assignability. Exeter shall not assign any interest in this Subcontract and shall not transfer any interest in the same, without the prior written consent of Public Advocate.

17. Covenant Against Contingent Fees. Exeter warrants that no person or selling agency has been employed or retained to solicit or secure this Subcontract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee (excepting bona fide employees or bona fide established commercial or selling agencies maintained by Exeter for the purpose of securing business). For breach or violation of this warranty, Public Advocate shall have the right to annul the Subcontract without liability, or in its discretion, to deduct from the Subcontract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

18. All questions or disputes arising between the parties hereto respecting any matter pertaining to the Subcontract or any part thereof or any breach of the Subcontract arising thereunder shall be referred to a representative of the American Arbitration Association for final determination.

19. The Subcontract constitutes the entire agreement between the parties. No amendment or modification changing its scope or terms shall have any force or effect unless it is in writing and signed by the parties. The Subcontract shall be construed and enforced in accordance with the laws of Pennsylvania.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have executed the Subcontract as of the Effective Date.

Approved:

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Deborah Freedman, Executive Director  
Community Legal Services, Inc.

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Jerome D. Mierzwa  
Principal, Exeter Associates, Inc.

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