

### UPDATE NO. 3

Sent to: To the Honorable Members of the Pennsylvania Senate and House of Representatives that represent ratepayers in the Chester Water Authority service area

To the Elected Officials in the Townships and Boroughs that represent ratepayers in the Chester Water Authority service area

To the Honorable Council of Delaware County and Commissioners in Chester County because you represent ratepayers in the Chester Water Authority service area

Date Sent: April 21, 2020

**TITLE: City of Chester Makes the Next Move to try to Sell the Chester Water Authority**

Attachments to Update No. 3

1. City of Chester April 22, 2020 Agenda for the Deliberative Meeting
2. Widener Agenda – Economic Development Meeting between AQUA and the City of Chester of March 5, 2020.

RE: Chester Water Authority ("CWA") Update No. 3  
April 21, 2020

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Sell the Chester Water Authority**

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represent ratepayers in the Chester Water Authority service area**

Because of the rapid developments that will occur concerning the Chester Water Authority and the effect the developments will have on many of your constituents, CWA will provide you with updates on the situation involving the CWA as the developments occur. Please feel free to inform your constituents as you wish. This is Update No. 3.

Attached is the Chester City Council Agenda for its Deliberative Council Meeting tomorrow. This is Item No. 4 on the Agenda:

"4. Authorize approval to commence bid process negotiations for CWA Assets;"

The City's RFP process is a sham. CWA filed a Delaware County lawsuit in March against the City to stop it. There is an existing Court Order not allowing the City to sell CWA's assets. The interesting part of the story is the attached Widener agenda which references a "private meeting" on Widener University's campus between Aqua, the City and unknown others, two business days before the RFP responses were due to the City. CWA has been asking about the meeting but no one is talking. Perhaps some of you could ask the questions for us. Who was there? What was discussed? Were any promises made? Why did the City hold a private meeting with a for profit company, a company that has been engaged in a three year hostile takeover attempt of CWA two business days before the City's RFP responses were due? Sound odd?

It looks like the City is working from the Rahm Emanuel playbook, "never allow a crisis to go to waste." But the question to ask is who is designing and calling the plays for the City?

Based on the advice of the Pa. DCED, Governor Wolf declared a fiscal emergency in the City on April 13th, so under the law the DCED must develop and release an emergency action plan for the City no later than this Thursday April 23, 2020. Here are some questions that our ratepayers and your constituents would like to have answered:

- In this fiscal emergency process, is the DCED and the Act 47 team the City's "partner" or does the DCED and the Act 47 team have fiscal oversight responsibilities? What are they?

- If the DCED and the Act 47 team have fiscal oversight responsibilities under this fiscal emergency process are these responsibilities different than what the DCED and Act 47 team have failed to exercise since the Chester City's Act 47 process began in 1995?
- The DCED has the option of asking that a Receiver is appointed for the City. What process was used to select the Receiver? What were the selection criteria? Did the City or any of its officials have input in the process of selecting a Receiver whose task it is to over the City's fiscal operations?
- Does a Receiver, if appointed, report to the DCED? The City Government? Or do they operate independently as professionals with duties and responsibilities set forth in the Act 47 law?

The DCED should be providing fiscal oversight for the City. DCED has not and there is no reason to believe that it will. Item 4 on tomorrow's City Agenda would not be there without the full knowledge and approval of DCED.

**It is clear that the DCED plans on taking action either alone or through the City against the interests of your constituents. Why are the DCED and the City allowed, during a life threatening pandemic to legally snipe at the CWA and require the CWA to divert any of its time, energy and resources to dealing with a financial mess not of its own creation?**

**Please help CWA devote all of its efforts to its daily mission of providing clean safe drinking water to your constituents whose lives depend on CWA's water.**

The structural financial problems currently plaguing the City of Chester have existed in the City for many years and have long been ignored by the Act 47 Team. The current problem in the City is a cash flow problem caused by the DCED's closing of Harrah's casino. The cash flow problem could be easily addressed by the State with a small portion of the federal stimulus money that the state received in the first stimulus package. The DCED is ignoring this and trying to achieve its long standing goal of selling off the CWA, an award winning and fiscally solvent water authority.

Any questions or comments should be directed to Francis J. Catania, Solicitor, Chester Water Authority. During the pandemic it is best to communicate with CWA via email, [info@chesterwater.com](mailto:info@chesterwater.com).

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**A G E N D A**  
April 22, 2020  
Deliberative Meeting

**Resolutions -**

1. Authorize approval of the FY 2020-2024 Five Year Consolidated Plan, FY 2020 Annual Action Plan, and FY 2020-2024 Analysis of Impediments to Fair Housing Choice;
2. Authorize approval of Comcast Cable Road Opening Permit;
3. Authorize approval of additional funding being provided for COVID-19 related projects;
4. Authorize approval to commence bid process negotiations for CWA Assets;
5. Authorize approval of Expenditure Lists;



**Economic Development Meeting between AQUA and the City of Chester**

**DATE:** March 5, 2020  
**LOCATION:** Widener Small Business Development Center (Quick Center)  
1304 Walnut St, Chester, PA 19013

- 9:00 AM      Networking, Coffee and Light Refreshments and Introductions
- 9:15 AM      Welcome from the Dean of the School of Business (invited)
- 9:20 AM      Elected Official Round Table: "Vision for the Future of Chester"  
(Invited to attend)  
                 Moderated by Peter Rykard, City Planner  
                 Mayor Thaddeus Kirkland (Confirmed)  
                 State Senator Tom Killion (Invited)  
                 State Representative Brian Kirkland (Invited)  
                 Delaware County Council Chair, Brian Zidek (Invited)
- 9:50 AM      Break
- 10:00 AM     Public Safety Briefing "Are there Solutions that can Work to increase Public Safety?"  
                 Chester City Police Department
- 10:20 AM     Economic Development Roundtable  
                 Moderated by Drake Nakaishi
- Lenin Agudo, Executive Director Widener Small Business Development Center  
                 Lisa Gaffney, Executive Director CEDA, CRA, and Riverfront Alliance
- 11:00 AM     Opportunities for Corporate and Educational Communities to Partner  
                 Moderated by David Patti (Invited)  
                 Aqua Representative (TBD)  
                 Educational Representative (Vahan Gureghian) (Invited)  
                 Keystone Mercy (TBD)  
                 Chester Upland School District (TBD)
- 11:50 AM     Tour bus leave Widener Campus
- 12:10 PM      Drive through Widener Campus
- 12:20 PM      Stop at Crozer Hospital Campus and joined by Crozer Hospital CEO (Group will  
                 stay in bus for update)
- 12:45 PM      "Silver Care" Nursing Project at Old Community Hospital
- 1:00 PM      Leave for meeting with Philadelphia Union at "Wharf" Building for Lunch and  
                 informational update on Riverfront Plan
- 1:10 PM      Lunch sponsored by the Philadelphia Union, location "Wharf" Building
- 2:40 PM      Leave Wharf building and drive past Agronomed Pharmaceuticals
- 3:00 PM      Arrive at Harrah's Casino and Racetrack
- 3:40 PM      Arrive at City Hall for walking tour of downtown business district "OverTown".
- 4:30 PM      Bus returns to Widener Campus