

UPDATE NO. 4

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 22, 2020

TITLE: What is going on with the Chester City Council and Aqua?

RE: Chester Water Authority ("CWA") Update No. 4
April 22, 2020

TITLE: What is going on with the Chester City Council and Aqua?

To the Honorable Members of the Pennsylvania Senate and House of Representatives that 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. 4.

On page 4 of today's *Delaware County Daily Times* there is a story about CWA with this headline "Chester to open bids for water authority sale".

Let me tell you the results of Aqua's (now "essential") RFP response – what the City calls a bid - that will be opened at City Council today at 10:00 a.m.:

Aqua Pennsylvania	\$380,000,000.00
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WAIT – how would I know this if the City is opening the bids for the first time today? Because Aqua revealed their bid amount over the weekend in a press statement that was released in Delaware and Chester County. That's a fact.

BUT WAIT - didn't the City say that it would open the bids publicly? Yes and the City even put on their March meeting agenda that there would be a public opening. So why is Aqua allowed to reveal the amount of their bid before today's bid opening?

These irregularities have happened before with the City. The City sent the previous RFP responses back "unopened" after CWA challenged the City "process" in Court.

Will the City now disqualify Aqua for publicly revealing the amount of their bid before the "bid opening"? Was this pre-opening bid revelation strategy discussed at the private meeting between unknown Aqua representatives and the City two days before the RFP responses were due? See Update No. 3 for more questions about this private Aqua and the City meeting on Widener's campus.

Some additional questions:

How can the Mayor say he cannot meet with the CWA Chairwoman and then have private meetings with unknown Aqua representatives two days before the RFP responses were due (See Update No. 3)?

Why did Aqua disclose their RFP response amount in a news release over this past weekend?

How is this "RFP process" different from simply asking the question - how much will you give us for our vote to sell CWA?

If this nonsense is not stopped, tell your CWA rate payer constituents to get out their checkbooks! If CWA is sold it will result in a transfer of wealth from Delco and Chesco residents to the bidder's shareholders in excess of 1 billion dollars every 20 years, forever.

CWA will provide further explanations in future updates about how the amounts of the bids actually come from the bidders current and future rate payers and not from the bidders. And an explanation will be given of the biggest whopper of all, the promise of "rate freezes". Only the PUC can approve rate freezes and the PUC has a habit of disregarding the private deals that are made.

CWA will continue to provide you with accurate and current information about this hostile takeover attempt of CWA.

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.

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