

**BOROUGH of KENNETT SQUARE
COUNTY of CHESTER, COMMONWEALTH of PENNSYLVANIA**

RESOLUTION NO. 2020-15

A RESOLUTION OF THE BOROUGH OF KENNETT SQUARE, CHESTER COUNTY, PENNSYLVANIA, EXPRESSING SERIOUS AND IMMEDIATE CONCERNS ABOUT PROPOSED ACTIONS REGARDING CHESTER WATER AUTHORITY IN LIGHT OF GOVERNOR WOLF'S DECLARATION OF FISCAL EMERGENCY FOR THE CITY OF CHESTER

WHEREAS, on April 13, 2020, Governor Wolf issued a Declaration of Fiscal Emergency for the City of Chester; and

WHEREAS, of particular concern is a statement made in the "Concise Statement of Facts Supporting the Determination of Fiscal Emergency in the City of Chester" referenced in Governor Wolf's recent declaration, which states in part:

"The City [of Chester] has two significant business-type assets, the water system owned by the Chester Water Authority and the parking system owned by the City. The City considered a potential sale of the utility assets of the Authority, which if consummated, could generate millions of dollars...The City has been engaged in multiple lawsuits related to the sale of the Authority...defeat would result in the loss of a huge source of potential revenue for the City."; and

WHEREAS, the Borough of Kennett Square staunchly believes the City of Chester does not have a legitimate ownership claim over utility assets that belong to Chester Water Authority; and

WHEREAS, previous attempts by the City of Chester to claim ownership are currently under litigation in the Delaware County Orphan's Court; and

WHEREAS, attempts by the City of Chester to repeatedly "sell" or "monetize" assets of Chester Water Authority would constitute a grave conversion of hundreds of millions of dollars from ratepayers throughout Delaware and Chester counties; and

WHEREAS, Chester Water Authority is an independent municipal authority with its own governing board and decades of faithful service to over 200,000 ratepayers across Delaware and Chester counties; and

WHEREAS, Chester Water Authority has been a longtime source of clean, high-quality drinking water for the residents of the Borough and has protected the community from unnecessary rate hikes for both its residential and business customers; and

WHEREAS, the proposed sale of Chester Water Authority to a private, for-profit company would have a detrimental impact on the utility rates for both the Borough's residential and business customers; and


WHEREAS, the Borough is concerned that either Governor Wolf or the Pennsylvania Department of Community and Economic Development may attempt, under the guise of the Fiscal Emergency, to order a sale of the Chester Water Authority, thereby sacrificing the independent integrity of the Authority; and

WHEREAS, the Borough is concerned that such a sale of the Authority at this time would be an egregious abuse of power when the public is rightfully distracted with the COVID-19 pandemic.

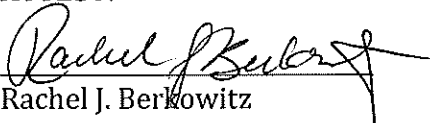
NOW THEREFORE, BE IT RESOLVED that we, the Borough Council of the Borough of Kennett Square, hereby urge, in the strongest possible terms, that Governor Wolf and the Pennsylvania Department of Community and Economic Development immediately and publicly commit to Chester Water Authority's continued existence as an independent municipal water authority, to protect public access to the Octorara Reservoir, and to advocate for the best interest of over 200,000 Chester Water Authority ratepayers.

ENACTED and APPROVED this 19th day of May 2020.

THE BOROUGH OF Kennett Square

By: 
Brenda Mercomes
Council President

ATTEST:


Rachel J. Berkowitz
Borough Secretary